

The Mining Journal

ANALYSIS OF RAND AND O.F.S. QUARTERLIES

KAFFIRS WAIT UPON EVENTS

THE fall in the F.T. gold share index to a new low of 63 (on July 11) has masked a selective firmness in leading mining and finance stocks. Through to April it was the leading shares that bore the brunt of the selling. But in the past three months the leading shares have shown considerable firmness and most of them have, except for very short periods, maintained prices above the lowest recorded in April. For the time being, at least, these shares are technically strong markets with virtually no shares on offer on periodical setbacks.

This was graphically illustrated during the first week of the Congo riots when turnover in Johannesburg fell to an almost record weekly low of 34.74 (index 1948 = 100) compared with 65.7 in the previous week and averages for April of 73, May 61 and June 55. The lack of any volume of local or overseas selling following the Congolese disturbance suggests that leading Kaffirs have regained their equilibrium after the disturbing setback in the early months of the year.

In brief, there are signs that weak holders have been shaken out, and of selective interest in mines and finance companies with statistically attractive possibilities. Despite this, the F.T. index may move lower as the doubtful shares which had ridden upwards on the 1957/59 bull market gradually relapse to attractive levels once again.

What of the future? Economically, the discrepancy in interest rates highlighted by the recent fall in American, and rise in British, interest structures, has resulted in an increase in the rate of outflow of gold from the U.S. once again. At the same time, evidence of Russian influences at work in Cuba and the Congo and the failure of the Summit have again stressed the need for strong Western economics to combat the spread of Communism and to demonstrate the advantages, material no less than political and social, of Western Democracy. Consequently, the Western countries cannot afford indefinitely to hamper themselves through policies dictated by inadequate national currency reserves. Whatever the pros and cons of the gold price issue, it should continue to be one of several factors imparting firmness to the better gold shares.

Conversely, while the result of the Republican referendum (the date has yet to be decided) should not in itself have much bearing on the market, the possibility of the exclusion of a Republican South Africa from the Commonwealth, coupled with the economic implications of boycotts of South

African products and of the proposed shifting of the axis of industrial expansion to the borders of the Bantustans, clearly points to fiscal, as well as economic, uncertainties as long as the Union is unable to attract overseas capital. Also adverse is the possibility of a rather higher mining cost structure due to the move to increase native wages—though this should not in itself have a major bearing on the prospects of the high-grade mines.

It is as well that we should be clear that events of recent months reflect no fundamentally new factors in the South African situation, and certainly we regard the risks of social unrest in the Union as no greater today than six months ago. What has happened in the interval has been that the elements in the situation have been brought much more forcibly to people's minds. It is not the situation which has been changing in recent months, it is people's attitude to it both inside and outside the Union.

It is for this reason that, although the problems concerned are basically racial and political in character, yet their immediate consequences are being felt, and felt keenly, in the economic field. For a country which depends to an exceptional degree both on its exports and on its good name in the world's capital markets, the present lack of world confidence in South Africa's racial policies is bound to be a source of weakness in the Union's economy just at the moment when it has become obvious that *something* is going to have to be done about the economic and social advancement of the African and that *whatever* is done is going to need a great deal of capital and is consequently going to be dependent on a strong economy.

The Gold Industry Has a Duty to Speak Out

Today, the Union's economy, despite its steady growth and diversification, is still primarily dependent on gold. Although gold output and profits continue to rise steadily year by year and have been unaffected by the recent disturbances (the African miners having continued to work normally throughout recent months), the hard fact nevertheless remains that Kaffir share values are today generally about 25 per cent to 30 per cent down on the prices at which they stood at the beginning of this year. Admittedly events in other parts of Africa have contributed to this decline, but their impact would have been much less severe had the situation in the Union been different.

In these circumstances the gold industry, as the principal prop of the economy, would be doing less than its duty if its leaders did not point publicly to the economic consequences of present government policies, as indeed they have lately been doing quite unequivocally. Moreover it is more than a little hard that in doing so they should repeatedly be accused in government statements of placing sectional interests above the national welfare.

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Clearly therefore—as the gold price question is unlikely to have a major bearing in the immediate future—a recovery of real confidence in the market depends on a clarification of the Union's political policies. The lack of a clear lead to future policy inhibits industrial and mining expansion, deters capital from entering the Union, and invites the question (with all its implications for investor confidence) whether the Union can finance both its normal and its politically inspired capital requirements without the aid of higher taxation?

These are the elements in the current market situation, some of which we endeavour to examine in greater detail in what follows.

FINANCIAL RESULTS

(Cumulative and comparative "this" financial year to June 30, 1960 with "last.")

GROUP	COMPANY	ORDINARY SHARES IN ISSUE	Months since year end	PROFIT AND LOSS RESULTS £(000)								Current financial year's capital expenditure (£ Gold)	EARNINGS, DIVIDENDS & YIELD						
				Working Profit		Uranium Profit After Loan Repayment		Taxation and/or Mining Lease		Net Profit After Tax			Earned in current year to date	Paid				Yield on Price 21/7/60 (0/0)	
				This	Last	This	Last	This	Last	This	Last			1958/9		1959/60			
														s. d.	s. d.	s. d.	s. d.		
Gold Fields	Doornfontein	9,828,000 (10/-)	12	2343.9	2240.5	140.0	133.4	—	—	2484.6	2384.9	567.7	5 1	1 6	1 6	1 6	1 6	10.2	
	Libanon	7,937,300 (10/-)	12	759.7	652.4	—	—	—	—	762.3	659.8	437.8	1 11	3 3	3 3	3 3	4 3	5.5	
	Luipaards Vlei	4,969,105 (2/-)	12	60.8	31.3	768.0	734.3	429.8	360.4	458.8	409.7	14.1	1 10	1 0	1 0	1 0	1 0	28.1	
	Rietfontein C.	1,122,252 (2/-)	6	38.3	42.5	—	—	19.1	17.5	19.2	25.0	2.6	4	1 0*	10*	6*	8*	0.0	
	Robinson	2,000,000 (5/6)	6	L9.0	L70.7	—	—	—	—	L9.0	L70.7	Cr.2.9	—	—	6*	—	—	0.0	
	Simmer	6,750,000 (1/6)	6	L47.8	L54.0	—	—	—	—	L47.8	L54.0	—	—	—	6*	—	—	0.0	
	Sub Nigel	1,771,875 (3d.)	12	221.5	294.3	—	—	72.4	84.1	162.9	215.5	Cr.11.3	1 10	—	1 6*	1 3*	1 3*	0.0	
	Venterspost	4,900,000 (10/-)	12	750.3	698.7	—	—	184.3	250.0	576.1	457.3	170.0	2 4	10 3	10 3	10 3	1 0	9.6	
	Vlakfontein	6,000,000 (10/-)	6	522.3	509.8	—	—	255.9	244.4	266.4	265.4	1.9	11	1 0	11	1 0	11	12.0	
	Vogels	5,028,571 (3d.)	6	123.4	228.2	184.0	169.0	169.6	191.3	137.8	205.9	2.2	7	1 0	11*	10*	8*	0.0	
W. Drie	14,082,160 (10/-)	12	10759.7	7848.4	295.6	264.6	5328.7	3342.6	5728.1	4795.1	1471.8	8 1 3	2 0	2 1 3	2 4 3	2 7 3	6.2		
Anglo American	Brakpan	4,600,000 (3d.)	6	72.8	65.8	—	—	8.4	7.2	64.4	60.8	Cr.8.6	3	6	4 3	6*	4 3*	0.0	
	Dagga	7,000,000 (5/-)	6	1367.9	1447.3	567.5	551.3	1227.8	1242.4	707.6	762.7	6.0	2 0	2 6	2 3	2 3	2 0	24.3	
	East Dagga	3,730,000 (10/-)	6	242.4	187.4	—	—	95.7	74.1	146.7	115.3	0.5	9	7 3	7 3	7 3	7 3	15.4	
	F.S. Geduld	10,000,000 (5/-)	9	5815.4	3966.3	—	—	—	—	5815.4	3973.8	933.8	11 8	3 0	3 6	4 6	3 6	6.9	
	P. Brand	14,040,000 (5/-)	9	7474.5	6004.6	283.0	279.3	3510.5	2747.0	4247.0	3547.5	1662.7	6 1	2 6	2 6	3 0	2 6	9.6	
	P. Steyn	14,040,000 (5/-)	9	1614.1	1728.3	340.4	324.2	—	—	1954.5	2057.4	1738.8	2 9	1 3	1 3	1 3	1 0	10.1	
	S.A. Lands	2,475,000 (3/6)	6	257.8	338.8	—	—	6.0	257.8	335.4	392.9	2 1	1 6	1 3	6	6	8.1		
	Springs	10,110,000 (3d.)	6	87.8	71.7	—	—	20.8	14.0	67.0	59.7	Cr.5.9	2	4 3	—	6*	—	0.0	
	Vaal Reefs	10,500,000 (5/-)	6	1352.4	1229.8	716.6	706.5	—	—	2069.0	1940.7	951.9	3 11	2 0	1 6	2 0	1 6	8.7	
	Welkom	12,250,000 (5/-)	9	664.9	713.9	335.5	316.6	—	—	1000.4	1033.9	342.6	1 8	3	3	3	3	3.7	
W. Holdings	7,496,376 (5/-)	9	7134.5	4474.6	—	—	3965.2	—	3169.3	4482.6	750.5	8 5	4 0	3 6	5 0	4 0	7.8		
W. Reefs	7,000,000 (5/-)	6	786.3	566.7	639.3	609.4	750.0	653.7	675.6	526.1	191.4	1 11	1 3	1 3	1 3	1 3	9.9		
Central Mining	Blyvoor	24,000,000 (2/6)	12	7598.9	6347.5	1219.8	1227.9	5124.9	4556.2	4047.5	3211.4	1268.1	3 4	1 0	1 1	1 2	1 3	9.3	
	City Deep	2,026,832 (£1)	6	32.3	60.9	—	—	3.1	7.2	64.9	78.0	5.3	8	7 3	7 3	7 3	7 3	8.9	
	Cons. M.R.	1,247,602 (£1)	12	78.7	164.9	—	—	8.9	9.6	186.5	195.7	—	3 0	1 6	1 6	1 3	1 6	20.4	
	Crown	1,886,125 (10/-)	6	31.2	62.1	—	—	19.2	8.0	80.5	85.9	15.3	10	1 9	1 9	2 0	2 0	18.6	
	Durban Deep	2,325,000 (10/-)	6	295.1	317.0	—	—	38.2	36.4	278.5	308.6	75.9	2 5	1 6	1 6	1 6	1 6	12.0	
	E. Rand Prop.	3,960,000 (10/-)	6	522.8	726.5	—	—	5.5	1.6	519.8	747.6	617.4	2 8	2 0	1 9	1 9	1 9	13.4	
	Harmony	18,000,000 (5/-)	12	3135.1	2105.7	2040.6	1420.3	—	—	5130.8	3481.6	2020.0	5 8	1 0	1 1 3	1 3	1 3	8.4	
	Modder E.	930,805 (£1)	12	9.3	27.8	—	—	10.4	7.3	60.5	38.2	—	1 4	6	6	6	6	8.7	
	Rose Deep	700,000 (3d.)	6	7.3	1.6	—	—	1.2	4.4	27.6	2.1	—	9	3 0	—	—	3 3*	0.0	
	T'vaal G.M.E.	952,500 (3d.)	6	7.3	12.4	—	—	—	—	3.8	7.9	0.2	1	—	—	—	—	—	
J.C.L.	E. Champ d'Or	2,079,000 (2/6)	6	42.3	40.0	(a)	(a)	16.4	16.9	27.5	26.7	1.8	3	3	3	3	3	23.5	
	Freddies Cons.	16,359,913 (£1)	6	L74.3	L17.5	(a)	(a)	—	—	L99.1	L45.5	3.2	—	—	—	—	—	0.0	
	Govt. G.M.A.	5,600,000 (3d.)	6	6.4	L12.7	—	—	27.4	21.5	117.3	98.1	—	5	—	6*	9*	6*	0.0	
	Randfontein	4,063,553 (£1)	6	672.1	691.2	(a)	(a)	309.0	298.0	363.1	393.2	36.6	1 9	2 3	1 9	2 3	1 3	22.2	
Union Corporation	E. Geduld	9,000,000 (4/-)	6	1521.9	1647.2	—	—	802.8	871.8	776.2	838.4	—	1 9	1 11	1 9	1 11	1 8	22.1	
	Geduld Prop.	1,460,857 (£1)	6	145.2	134.0	—	—	52.8	44.1	409.8	417.5	—	5 7	6 3	4 9	5 0	3 4	17.1	
	Grootvlei	11,438,816 (5/-)	6	1362.5	1314.1	—	—	699.8	675.2	685.6	669.3	—	1 2	1 3	1 1	1 5	1 1	14.1	
	Marievale	4,500,000 (10/-)	6	751.9	658.9	—	—	378.9	317.1	380.9	351.0	—	1 8	1 5	1 4	1 7	1 6	12.6	
	St. Helena	9,625,000 (10/-)	6	1974.1	1383.5	—	—	—	—	1966.9	1376.3	405.5	4 1	1 1	1 3	1 9	2 3	6.3	
	Van Dyk	5,532,000 (3d.)	6	57.1	154.9	—	—	12.3	—	56.6	167.9	—	2	—	1 3*	—	1 6*	0.0	
Winkelhaak	12,000,000 (10/-)	6	708.5	187.2	—	—	—	—	684.6	144.7	178.7	1 2	—	—	—	—	—		
General Mining	Buffelsfontein	11,000,000 (10/-)	12	3528.0	2519.2	1913.6	1807.9	—	—	5441.6	4344.8	2342.1	9 11	1 6	1 6	1 9	1 10 3	8.9	
	Ellatton	787,500 (5/-)	12	317.0	370.7	193.0	200.0	—	—	510.0	574.1	Cr.1.612	11	—	—	—	—	—	
	Stillfontein	13,062,920 (5/-)	6	2229.6	2497.5	334.6	315.7	—	—	1735.2	2821.5	891.8	2 8	1 10 3	1 10 3	1 7 3	1 6	10.2	
	S. Roodepoort	1,420,662 (10/-)	12	268.0	271.0	—	—	109.0	112.7	173.1	181.0	8.7	2 5	1 1 3	1 1 3	1 1 3	1 1 3	—	
	W. Rand Cons.	4,250,000 (10/-)	6	1295.3	1243.3	(a)	(a)	571.0	570.0	623.7	636.5	8.7	2 2c	2 3	2 0	2 3	2 0	25.4	
	Anglo-T'vaal	Hartebeestfontein	9,000,000 (10/-)	12	3486.2	3752.2	2777.0	2770.9	2174.0	316.0	4218.8	6303.1	2501.4	9 5	3 6	3 6	3 0	3 0	13.9
Lorraine		15,363,345 (10/-)	9	L187.0	L181.6	198.3	200.5	—	—	19.0	31.7	1713.3	—	—	—	—	—	—	
Rand Leases		3,600,000 (3d.)	12	226.4	150.4	—	—	8.5	9.8	258.9	186.5	21.4	1 5	—	9*	1 0*	6*	0.0	
Village M.R.		6,068,457 (1/3)	12	3.9	6.2	—	—	0.4	0.2	8.3	12.7	9.5	—	—	—	—	—	—	
Virginia		13,278,952 (5/-)	6	25.5	61.8	622.9	639.4	—	—	567.3	598.9	91.1	10	—	—	—	—	—	
Others	N. Kleinfontein	1,735,000 (£1)	6	6.3	18.5	—	—	—	—	6.3	20.0	—	—	—	—	—	—	0.0	
	Spaarwater	7,974,968 (5/-)	6	3.1	3.7	—	—	—	—	3.1	3.7	—	—	—	—	—	—	—	
	Wit Nigel	7,974,720 (2/6)	12	54.1	61.4	—	—	—	—	73.8	73.6	4.6	2	—	1 3	—	1 3	11.1	

(a) Included under working profit. (b) And deferred shares. † After deferred shares participation. * Capital Repayment.

DEVELOPMENT AND MILLING RESULTS

(Cumulative and comparative "this" financial year to June 30, 1960 with "last.")

GROUP	COMPANY	Months since year end	TOTAL ORE RESERVES			DEVELOPMENT RESULTS									MILL THROUGHPUT											
						Payability						Tonnage			Gold Recovered						Working Profit					
			Tons (000)	Value (dwt.)	Inch dwt.	Ft. Sampled (000)		%		Av. Value (In.-dwt.)	Milled (000)		Cost per Ton		Ounces (000)		Grade (dwt.perton)		Cost per ounce	Per ton		Per oz.				
						This	Last	This	Last		This	Last	This	Last	This	Last	This	Last		This	Last	This	Last	This	Last	
Gold Fields	D'fontein	12	3,004	7.6	313	30.4	23.7	90	88	511	378	1,160	1,064	61/3	61/6	470.8	441.2	8.1	8.3	150/10	148/5	40/5	42/1	99/7	101/7	
	Libanon	12	2,572	5.0	246	27.6	20.4	68	65	339	319	1,350	1,194	47/10	48/3	318.4	282.4	4.7	4.7	202/9	203/10	11/3	10/11	47/9	46/2	
	Luipaards Vlei	12	1,363	4.5	176	11.0	15.6	57	65	256	236	832	833	42/6	42/10	146.0	145.2	3.5	3.5	242/3	245/9	1/6	9	8/4	4/4	
	Rietfontein C.	6	117	5.5	302	2.5	2.7	32	56	338	353	96	96	57/8	56/8	25.0	25.2	5.2	5.2	220/2	215/9	8/-	8/10	30/8	33/9	
	Robinson	6	444	4.4	229	1.2	1.3	57	54	256	357	270	364	55/2	56/10	58.7	77.2	4.3	4.2	253/9	267/10	L8d.	L3/11	L3/1	L18/4	
	Simmer	6	612	4.3	194	8.2	11.8	27	36	278	286	458	522	46/6	48/8	81.2	97.5	3.5	3.7	262/3	260/7	L2/1	L2/8	L11/9	L11/1	
	Sub Nigel	12	536	8.0	308	20.3	20.5	25	28	336	319	793	796	52/9	52/6	184.8	190.5	4.7	4.8	226/6	219/3	5/7	7/5	24/-	30/11	
	Venterspost	12	2,190	6.3	346	40.8	49.2	50	59	458	449	1,503	1,537	54/2	53/-	384.8	381.9	5.1	5.0	211/7	213/5	10/-	9/1	39/-	36/7	
	Vlakfontein	6	1,638	7.9	328	16.4	16.0	43	43	375	373	309	300	55/8	55/7	110.5	108.0	7.2	7.2	155/10	155/-	33/10	33/11	94/6	94/5	
	Vogels	6	1,580	4.9	202	16.6	13.6	26	29	274	263	515	553	49/3	48/-	110.7	124.5	4.3	4.5	228/10	213/6	4/9	8/3	22/4	36/8	
W. Drie	12	3,319	15.7	661	18.2	21.6	92	97	771	643	1,360	1,021	71/10	81/2	1248.9	959.2	18.4	18.8	78/3	86/5	158/3	153/9	172/4	163/8		
Anglo American	Brakpan	6	1,593	4.8	257	9.8	8.3	20	16	612	856	852	823	28/8	28/7	103.2	99.5	2.4	2.4	236/5	236/7	1/9	1/7	14/1	13/3	
	Dagga	6	8,848	5.2	223	13.1	12.5	41	45	372	368	1,392	1,431	30/11	30/6	281.0	290.0	4.0	4.1	153/3	150/5	19/8	20/3	97/4	99/10	
	East Dagga	6	4,744	4.7	171	8.7	11.5	25	36	344	352	630	592	34/9	35/3	106.8	98.3	3.4	3.3	204/11	211/10	7/8	6/4	45/5	38/2	
	F.S. Geduld	9	2,766	20.9	928	7.9	9.1	95	92	1,332	1,672	844	701	77/4	78/9	725.6	538.0	17.2	15.3	90/1	102/7	137/9	113/2	160/4	147/5	
	P. Brand	9	3,804	18.1	977	7.9	5.3	89	81	918	1,053	1,043	910	61/1	62/2	851.1	705.9	16.3	15.5	74/10	80/2	143/4	132/-	175/8	170/2	
	P. Steyn	9	4,869	8.3	379	11.1	9.3	81	80	437	500	914	877	62/1	57/7	355.6	340.2	7.8	7.8	159/7	148/6	35/4	39/5	90/9	101/7	
	S.A. Lands	6	3,570	5.9	264	16.4	10.1	33	39	453	486	576	570	43/1	40/5	119.8	119.5	4.2	4.2	207/1	192/9	8/11	11/11	43/-	56/8	
	Springs	6	1,171	4.4	186	8.8	5.5	26	33	377	414	617	622	32/-	31/10	85.9	85.0	2.8	2.7	229/9	233/2	2/10	2/4	20/5	16/10	
	Vaal Reefs	6	2,950	9.4	373	16.7	16.7	78	83	648	584	578	509	65/10	64/9	260.3	230.4	9.0	9.1	146/4	143/-	46/9	48/4	103/11	106/9	
	Welkom	9	3,997	7.3	320	11.3	13.4	83	69	454	395	881	848	63/11	59/5	277.9	258.5	6.3	6.1	202/6	194/11	15/1	16/10	47/10	55/4	
Central Mining	W. Holdings	9	4,730	16.0	757	12.1	11.7	85	91	1,037	1,132	1,307	979	56/6	58/2	864.8	585.5	13.2	12.0	85/5	97/4	109/2	91/5	165/-	152/10	
	W. Reefs	6	4,573	6.8	309	22.2	23.3	60	47	632	541	836	750	51/9	49/11	235.6	195.0	5.6	5.2	183/9	191/11	18/10	15/2	66/9	58/2	
	Blyvoor	12	6,103	14.0	602	18.0	15.9	81	86	627	720	1,530	1,349	64/11	68/6	1003.4	877.3	13.1	13.0	98/11	105/3	99/11	94/1	151/6	144/8	
	City Deep	6	3,461	5.9	240	8.2	9.4	38	35	363	324	672	684	51/1	50/5	139.6	143.1	4.2	4.2	245/9	241/-	1/-	1/9	4/8	8/6	
	Cons. M.R.	12	410	7.5	297	6.6	18.3	14	18	361	311	971	1,492	47/-	38/3	188.6	241.2	3.9	3.2	241/11	236/4	1/7	2/3	8/4	13/7	
	Crown	6	5,230	5.0	224	12.3	7.9	25	19	348	309	1,192	1,323	41/10	38/6	201.5	209.1	3.4	3.2	247/4	243/7	4d.	11d.	3/1	5/11	
	Durban Deep	6	7,747	4.0	230	24.7	20.4	51	61	339	315	1,148	1,122	40/9	40/7	210.3	207.8	3.7	3.7	222/6	219/2	5/2	5/8	28/1	30/6	
	E. Rand Prop.	6	5,427	6.3	298	6.1	3.3	38	39	483	474	1,311	1,320	54/11	53/5	329.0	340.8	5.0	5.2	218/8	207/-	8/-	11/-	31/9	42/8	
	Harmony	12	5,030	8.5	433	14.2	11.7	77	84	514	509	1,760	1,312	64/6	67/5	703.8	522.4	8.0	8.0	161/5	169/4	35/8	32/1	89/1	80/7	
	Modder E.	12	408	3.9	158	2.8	3.5	32	20	181	151	1,629	1,608	24/3	24/5	158.2	159.3	1.9	2.0	249/5	246/7	1d.	4d.	1/2	3/6	
J.C.I.	Rose Deep	6	79	7.1	334	—	0.7	—	43	—	338	148	244	42/8	32/4	25.7	31.7	3.5	2.6	245/6	249/-	1/-	2d.	5/8	1/-	
	T'vaal G.M.E.	6	115	9.6	—	2.0	2.8	10	43	416	321	42	41	70/-	70/7	11.3	11.4	5.4	5.6	260/2	252/1	3/6	6/1	12/11	21/9	
	E. Ch'p d'Or	6	132	0.9	27	3.6	3.7	31	30	39	38	73	72	52/3	51/3	1.9	1.6	0.5	0.5	—	—	13/9	13/3	—	—	
	Freddies Cons.	6	1,005	5.5	220	3.6	2.6	56	62	337	394	353	346	72/2	74/10	79.4	84.3	4.5	4.9	320/9	307/3	L14/6	L12/10	L64/4	L52/7	
	Govt. G.M.A.	6	328	5.9	419	—	0.1	—	62	—	230	317	320	52/8	52/6	53.7	56.5	3.4	3.5	311/-	297/4	5d.	L10d.	2/5	L4/6	
	Randfontein	6	285	4.7	240	1.0	0.2	70	100	342	276	140	201	46/9	38/5	27.2	34.7	3.9	3.5	—	—	2/8	5/4	—	—	
	E. Geduld	6	7,250	5.9	313	1.1	2.4	15	46	152	175	798	812	35/7	34/10	234.9	245.5	5.9	6.0	120/10	115/6	38/2	40/5	129/7	134/2	
	Geduld Prop.	6	400	3.8	224	1.9	4.5	37	44	306	389	439	429	38/6	40/5	78.9	80.1	3.6	3.7	214/1	216/10	6/7	6/3	36/10	33/5	
	Grootvlei	6	12,500	4.5	216	10.4	9.8	55	61	263	329	1,286	1,230	31/-	31/6	267.9	260.5	4.2	4.2	148/8	148/7	21/2	21/4	101/9	100/10	
	Marievale	6	5,400	5.0	235	7.7	9.7	40	35	291	218	591	551	35/11	38/1	144.7	136.9	4.9	5.0	146/6	153/3	25/5	23/11	103/11	96/3	
Union Corporation	St. Helena	6	4,000	7.5	412	10.6	11.6	53	59	711	840	952	870	42/11	42/11	320.6	260.5	6.7	6.0	127/4	143/4	41/6	31/10	123/2	106/3	
	Van Dyk	6	250	3.9	195	4.9	5.2	45	28	262	306	435	456	39/5	40/-	72.9	85.3	3.4	3.7	235/-	213/5	2/8	6/9	15/8	36/4	
	Winkelhaak	6	1,600	6.8	408	12.9	10.9	88	78	569	465	500	436	49/9	52/1	155.6	105.9	6.2	4.9	159/9	214/5	28/4	8/7	91/1	35/4	
	Buffelsfontein	12	4,275	9.3	543	21.0	25.0	88	96	597	647	1,726	1,520	56/6	53/11	671.5	529.5	7.8	7.0	145/4	154/9	40/11	33/2	105/1	95/2	
	Ellaton	12	153	8.3	349	1.2	2.7	50	56	384	391	354	377	40/8	38/8	82.8	88.0	4.7	4.7	173/9	165/9	17/11	19/8	76/7	84/3	
	Stilfontein	6	5,625	9.4	380	12.0	11.9	83	56	432	343	496	820	65/3	62/3	223.5	404.7	9.0	9.9	144/11	126/2	47/8	60/11	105/8	123/5	
	S. Roodepoort	12	1,105	4.7	221	11.1	13.5	41	27	252	300	358	356	45/-	44/3	85.5	85.0	4.8	4.8	188/6	185/4	15/-	15/3	62/8	63/9	
	W. Rand Cons.	6	4,759	3.4	166	9.8	11.5	71	66	302	308	783	805	—	—	117.6	123.4	3.0	2.1	—	—	—	—	—	—	
	General Mining	Hartbeest	12	4,253	9.3	543	21.0	25.0	88	96	597	647	1,726	1,520	56/6	53/11	671.5	529.5	7.8	7.0	145/4	154/9	40/11	33/2	105/1	95/2
		Ellaton	12	153	8.3	349	1.2	2.7	50	56	384	391	354	377	40/8	38/8	82.8	88.0	4.7	4.7	173/9	165/9	17/11	19/8	76/7	84/3
Stilfontein		6	5,625	9.4	380	12.0	11.9	83	56	432	343	496	820	65/3	62/3	223.5	404.7	9.0	9.9	144/11	126/2	47/8	60/11	105/8	123/5	
S. Roodepoort		12	1,105	4.7	221	11.1																				

GOLD FIELDS GROUP COMPANIES

49 MOORGATE, LONDON, E.C.2.

Directors' Reports of Gold Mining Companies operating in the Union of South Africa, for Quarter ended 30th June, 1960.

(All Companies mentioned are incorporated in the Union of South Africa, unless otherwise stated.)

DOORNFONTEIN GOLD MINING COMPANY LIMITED.

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
PRODUCTION		
Gold		
Tons milled	310,000	1,160,000
Total yield ounces fine	124,988	470,800
Yield per ton milled (dwt.)	8.064	8.117
Working Revenue per ton milled	100s. 11d.	101s. 8d.
Working Expenditure per ton milled	60s. 1d.	61s. 3d.
Working Profit per ton milled	40s. 10d.	40s. 5d.
Working Revenue	£1,564,832	£5,895,351
Working Expenditure	931,522	3,551,405
Working Profit	£633,310	£2,343,946
Uranium Oxide		
Tons treated in leaching plant	73,000	306,000
Total yield Uranium Oxide (lb.)	24,818	100,174
Yield per ton treated Uranium Oxide (lb.)	340	327
Uranium Oxide sold (lb.)	24,942	100,184
Revenue (subject to adjustment)	£110,667	£444,030
Treatment Costs	£41,609	£167,443
Service Fee paid to West Driefontein Gold Mining Company Ltd.	£24,058	£97,587
Profit	£45,000	£179,000
Total Working Profit	£678,310	£2,522,946
Capital Expenditure	£222,461	£567,688
Uranium Loan Instalment	£9,900	£39,600
State's Share of Profit	Nil	Nil
Taxation	Nil	Nil

URANIUM QUOTA—The West Driefontein Uranium Plant, to which this Company and West Driefontein Gold Mining Company Limited contribute uranium bearing slime for the extraction of uranium oxide has been allocated a quota of 274,500 lb. for the twelve months ending 31st December, 1960.

DEVELOPMENT		
Footage Advanced	14,652	59,877
Footage Sampled	7,105	30,360
Payable—Footage	6,025	27,320
Per Cent	84.8	90.0
Stope Width (in.)	41.1	41.2
Inch-dwt.—Gold	575	511
Inch-lb.—U ₃ O ₈	10.3	9.5

	Stope Width (in.)	dwt./ton	Inch-dwt.	lb./ton	Inch-lb.
ORE RESERVE at 30th June, 1960					
Tonnage	3,004,000	41.2	7.6	313	0.19
					7.8

DIVIDEND—A dividend (No. 7) of 1/6d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to Members registered in the books of the Company at the close of business on 30th June, 1960.

THE SUB NIGEL LIMITED

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
OPERATIONS		
Tons milled	199,500	793,000
Total yield ounces fine	45,619	184,841
Yield per ton milled (dwt.)	4.573	4.662
Working Revenue per ton milled	57s. 3d.	58s. 4d.
Working Expenditure per ton milled	52s. 3d.	52s. 9d.
Working Profit per ton milled	5s. 0d.	5s. 7d.
Working Revenue	£571,420	£2,314,264
Working Expenditure	521,284	2,092,773
Working Profit	£50,136	£221,491
Capital Expenditure	Cr. £5,048	Cr. £11,298
Taxation	£9,007	£72,413
DEVELOPMENT		
Footage Advanced	5,257	22,558
Footage Sampled	4,500	20,320
Payable—Footage	885	5,090
Per Cent	19.7	25.0
Stope Width (in.)	38.4	39.1
Inch-dwt.	265	336

SPAARWATER TRIBUTE AREA—In addition, 147 feet were advanced in the area during the quarter. Of the 100 feet sampled, 45 feet, equal to 45.0 per cent, proved payable averaging 207 inch-dwt. over an estimated stoping width of 37.0 inches.

ORE RESERVE at 30th June, 1960

	Classification	Tonnage	Stope Width (in.)	Stope Value (dwt./ton)	Inch-dwt.
	Main Reef	536,000	38.5	8.0	308

REPAYMENT OF CAPITAL—A repayment of capital (No. 4) of 1/3d. per share was declared on 14th June, 1960, in Union of South Africa Currency, payable on or about 5th August, 1960, to members registered in the books of the Company at the close of business on 30th June, 1960.

THE LUIPAARDS VLEI ESTATE AND GOLD MINING COMPANY LIMITED.

(Incorporated in England) (Head Office: Johannesburg)

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
PRODUCTION		
Main Reef Section		
Ton Milled	204,000	832,000
Total yield ounces fine	35,523	145,974
Yield per ton milled (dwt.)	3.483	3.509
Working Revenue per ton milled	43s. 7d.	44s. 0d.
Working Expenditure per ton milled	42s. 4d.	42s. 6d.
Working Profit per ton milled	1s. 3d.	1s. 6d.
Working Revenue	£444,903	£1,829,228
Working Expenditure	431,919	1,768,416
Working Profit	£12,984	£60,812
Bird Reef Section		
Tons milled for gold and treated in leaching plant	156,000	618,000
Total yield gold ounces fine	4,721	18,674
Total yield Uranium Oxide (lb.)	198,755	787,957
Yield per ton treated Uranium Oxide (lb.)	1.274	1.275
Uranium Oxide sold (lb.)	198,638	787,980
Working Revenue (subject to adjustment)	£815,787	£3,243,693
Working Expenditure	£446,008	£1,751,376
Treatment costs	87,779	370,326
Working Profit	533,787	2,121,693
Total Working Profit	£282,000	£1,122,000
Taxation	£97,586	£429,755
Capital Expenditure	£124	£14,088
Uranium Loan Instalment	£88,500	£354,000

URANIUM QUOTA—This Company has been allocated a quota of 758,320 lb. for the 12 months ending 31st December, 1960.

DEVELOPMENT		
Main Reef Section (Gold)		
Footage Advanced	8,411	33,927
Footage Sampled	3,005	11,040
Payable—Footage	1,885	6,315
Per Cent	62.7	57.2
Stope Width (in.)	37.3	38.8
Inch-dwt.	257	256
Bird Reef Section (Uranium)		
Footage Advanced	18,861	78,779
Footage Sampled	5,830	18,435
Payable—Footage	3,750	11,690
Per Cent	64.3	63.4
Stope Width (in.)	35.8	36.6
Inch-dwt.—Gold	47	55
Inch-lb.—U ₃ O ₈	69.5	86.7

Diamond drilling from surface to prospect the area between No. 1 and the Witpoortje faults commenced during the quarter ended 30th June, 1960.

ORE RESERVE at 30th June, 1960

	Stope Width (in.)	Stope Value (dwt./ton)	Inch-dwt.
Main Reef Section (Gold)			
Tonnage	1,363,000	39.2	4.5
			176
Bird Reef Section (Uranium)			
Stope Width (in.)	35.8	1.3	1.86
Tonnage	1,107,000	47	66.6

DIVIDEND—A dividend (No. 60) of 1s. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to Members registered in the books of the Company at the close of business on 30th June, 1960.

FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED

NO. 1 SHAFT—The footage advanced at this shaft during the quarter amounted to 9,098 feet. The footage sampled totalled 2,385 feet, of which 1,550 feet, equal to 65.0 per cent, proved payable and averaged 6.0 dwt. per ton over an estimated stoping width of 51.4 inches, equivalent to 308 inch-dwt.

NO. 2 SHAFT—A total of 8,353 feet of development was advanced from this shaft all of which was off reef.

HOUSING—A total of 414 houses has been authorized in Virginia Township. Of this number 362 have been built and 15 are in the course of construction.

REDUCTION WORKS—Construction work on both plant and buildings continued satisfactorily.

NATIVE QUARTERS—Work in connection with extensions to the living quarters in the native compound is progressing.

GENERAL—General construction work proceeded satisfactorily.

WEST DRIEFONTEIN GOLD MINING COMPANY LIMITED

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
PRODUCTION		
Gold		
Tons milled	390,000	1,360,000
Total yield ounces fine	360,204	1,248,882
Yield per ton milled (dwt.)	18.472	18.366
Working Revenue per ton milled	231s. 4d.	230s. 1d.
Working Expenditure per ton milled	66s. 8d.	71s. 10d.
Working Profit per ton milled	164s. 8d.	158s. 3d.
Working Revenue	£4,511,365	£15,647,257
Working Expenditure	1,300,304	4,887,539
Working Profit	£3,211,061	£10,759,718
Uranium Oxide		
Tons treated in leaching plant	137,500	563,500
Total yield Uranium Oxide (lb.)	45,052	180,771
Yield per ton treated Uranium Oxide (lb.)	0.328	0.321
Uranium Oxide sold (lb.)	44,977	180,815
Revenue (subject to adjustment)	£200,489	£795,808
Service Fee received from Doornfontein Gold Mining Company Limited	£24,058	£97,587
Treatment Costs	£74,547	£295,395
Profit	£150,000	£598,000
Total Working Profit	£3,361,061	£11,357,718
Capital Expenditure	£470,421	£1,471,831
Uranium Loan Instalment	£75,600	£302,400
State's Share of Profit	£470,221	£1,463,195
Taxation	£1,218,548	£3,865,498

URANIUM QUOTA—The West Driefontein Uranium Plant to which this Company and Doornfontein Gold Mining Company Limited contribute uranium bearing slime for the extraction of uranium oxide, has been allocated a quota of 274,500 lbs. for the twelve months ending 31st December, 1960.

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
DEVELOPMENT		
Carbon Leader		
Footage Advanced	8,185	41,009
Footage Sampled	1,800	11,785
Payable—Footage	1,800	11,510
Per Cent	100.0	97.7
Stope Width (in.)	42.0	42.0
Inch-dwt.—Gold	785	769
Inch-lb.—U ₃ O ₈	14.3	11.3
Ventersdorp Contact Reef		
Footage Advanced	8,015	21,830
Footage Sampled	2,060	6,395
Payable—Footage	1,955	5,270
Per Cent	94.9	82.4
Stope Width (in.)	44.2	43.7
Inch-dwt.—Gold	539	778
Inch-lb.—U ₃ O ₈	—	—

In addition, 269 feet were advanced during the quarter in the area held under prospecting permit.

NO. 4 SHAFT—During the quarter this shaft was sunk a distance of 742 feet to a total depth of 2,578 feet.

ORE RESERVE at 30th June, 1960

	Stope Width	Gold	Uranium Oxide
Tonnage	(in.)	dwt./ton	lb./ton
3,319,000	42.1	15.7	0.24
		661	10.1

DIVIDEND—A dividend (No. 15) of 2s. 7½d. per share was declared on 14th June, 1960 in Union of South Africa currency, payable on or about 5th August, 1960, to Members registered in the books of the Company at the close of business on 30th June, 1960. This dividend is in respect of the present issued capital of 14,082,160 shares which includes the 7,041,080 capitalization shares, certificates for which were issued on 9th June, 1960.

RIETFontein CONSOLIDATED MINES LTD.

	Quarter ended 30th June, 1960	Six months ended 30th June, 1960
OPERATIONS		
Tons milled	47,500	95,500
Total yield ounces fine	12,414	25,039
Yield per ton milled (dwt.)	5.227	5.244
Working Revenue per ton milled	65s. 5d.	65s. 8d.
Working Expenditure per ton milled	58s. 1d.	57s. 8d.
Working Profit per ton milled	7s. 4d.	8s. 0d.
Working Revenue	£155,352	£313,516
Working Expenditure	137,904	275,242
Working Profit	£17,448	£38,274
Capital Expenditure	£1,818	£2,631
Taxation	£8,651	£19,128
DEVELOPMENT		
Footage Advanced	3,825	7,127
Footage Sampled	1,145	2,480
Payable—Footage	420	800
Per Cent	36.7	32.3
Stope Width (in.)	52.5	51.2
Inch-dwt.	357	338

The area held under prospecting permit has now been endorsed for stoping. Development in this area is included in the above tabulation.

REPAYMENT OF CAPITAL—A repayment of capital (No. 5) of 6d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to Members registered in the books of the Company at the close of business on 30th June, 1960.

VENTERSPOST GOLD MINING COMPANY LIMITED

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
OPERATIONS		
Tons milled	386,000	1,503,000
Total yield ounces fine	101,693	384,809
Yield per ton milled (dwt.)	5.269	5.121
Working Revenue per ton milled	66s. 0d.	64s. 2d.
Working Expenditure per ton milled	54s. 0d.	54s. 2d.
Working Profit per ton milled	12s. 0d.	10s. 0d.
Working Revenue	£1,273,852	£4,821,138
Working Expenditure	1,042,124	4,070,875
Working Profit	£231,728	£750,263
Capital Expenditure	£73,017	£169,999
Taxation	£44,625	£184,338
DEVELOPMENT		
Footage Advanced	17,673	68,898
Footage Sampled	7,975	40,820
Payable—Footage	4,110	20,290
Per Cent	51.5	49.7
Stope Width (in.)	51.4	55.8
Inch-dwt.	483	458

ORE RESERVE at 30th June, 1960

	Tonnage	Stope Width (in.)	Stope Value (dwt./ton)	Inch-dwt.
Main Reef	1,163,000	57.9	4.5	261
Contact Reef	1,027,000	51.9	8.5	441

Totals and Averages 2,190,000 54.9 6.3 346

DIVIDEND—A dividend (No. 41) of 1s. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to Members registered in the books of the Company at the close of business on 30th June, 1960.

SIMMER AND JACK MINES LIMITED.

	Quarter ended 30th June, 1960	Six months ended 30th June, 1960
OPERATIONS		
Tons milled	224,000	458,000
Total yield ounces fine	40,239	81,173
Yield per ton milled (dwt.)	3.593	3.545
Working Revenue per ton milled	45s. 0d.	44s. 5d.
Working Expenditure per ton milled	45s. 4d.	46s. 6d.
Working Loss per ton milled	0s. 4d.	2s. 1d.
Working Revenue	£504,151	£1,016,943
Working Expenditure	507,835	1,064,741
Working Loss	£3,684	£47,798
Capital Expenditure	Cr. £1,536	Cr. £1,536
Taxation	Nil	Nil
DEVELOPMENT		
Footage Advanced	1,468	7,840
Footage Sampled	2,580	8,170
Payable—Footage	690	2,210
Per Cent	26.7	27.1
Stope Width (in.)	48.2	48.8
Inch-dwt.	284	278

Included in the total footage sampled for the quarter is 350 feet sampled on South Reef, of which 150 feet, equal to 42.9 per cent, proved payable averaging 296 inch-dwt. over an estimated stoping width of 53.9 inches.

VLAKFontein GOLD MINING COMPANY LIMITED.

	Quarter ended 30th June, 1960	Six months ended 30th June, 1960
OPERATIONS		
Tons milled	156,000	309,000
Total yield ounces fine	55,832	110,515
Yield per ton milled (dwt.)	7.158	7.153
Working Revenue per ton milled	89s. 7d.	89s. 6d.
Working Expenditure per ton milled	55s. 9d.	55s. 8d.
Working Profit per ton milled	33s. 10d.	33s. 10d.
Working Revenue	£698,604	£1,383,083
Working Expenditure	434,892	860,800
Working Profit	£263,712	£522,283
Capital Expenditure	£2,527	£1,884
Taxation	£124,962	£255,902
DEVELOPMENT		
Footage Advanced	10,153	19,656
Footage Sampled	8,160	16,390
Payable—Footage	3,125	7,005
Per Cent	38.3	42.7
Stope Width (in.)	41.3	41.2
Inch-dwt.	343	375

DIVIDEND—A dividend (No. 34) of 11d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to members registered in the books of the Company at the close of business on 30th June, 1960.

DOMINION REEFS (KLERKSDORP) LIMITED.

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
PRODUCTION		
Tons from slimes dumps	72,030	281,920
Tons from mine	53,570	212,780
Total tons treated in leaching plant	125,600	494,700
Total yield Uranium Oxide (lb.)	130,647	528,060
Yield per ton treated Uranium Oxide (lb.)	1.040	1.067
Uranium Oxide sold (lb.)	135,972	536,534
*Working Revenue (subject to adjustment)	£537,808	£2,179,691
Working Expenditure		
Mining and Milling	£133,157	£500,423
Treatment Costs	161,651	636,359
	294,808	1,136,782
Working Profit	£243,000	£1,042,909

*Includes revenue from gold.

Taxation and State's Share of Profit	£99,529	£401,679
Capital Expenditure	£8,479	£95,405
Uranium Loan Instalment	£79,844	£319,376
URANIUM QUOTA—This Company has been allocated a quota of 531,220 lb. for the twelve months ending 31st December, 1960.		

DEVELOPMENT		
Footage Advanced	3,671	10,943
Footage Sampled	2,690	8,610
Payable:		
Footage	1,190	4,210
Per Cent.	44.2	48.9
Channel Width (in.)	37.4	37.6
Inch-lb.—U ₃ O ₈	52.4	57.9

ORE RESERVE at 30th June, 1960		
	Stope Width (in.)	Uranium Oxide lb./ton
Tonnage		Inch-lb.
427,000	37	65.5

DIVIDEND—A dividend (No. 16) of 1/6d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to members registered in the books of the Company at the close of business on 30th June, 1960.

WEST WITWATERSRAND AREAS LIMITED

The total footage drilled during the quarter amounted to 5,848 feet. The borehole situation at the end of June, 1960, is set out in the following tabulation:

Bore-hole No.	Farm	Depth in feet during June 1960	Advance at 30th Quarter	Geological Division Traversed	Rock Types Encountered
21	Rietfontein No. 349	5,658	2,561	Dolomite Series Black Reef Series Ventersdorp Amygdaloidal lavas	Dolomite, intrusive and carbonaceous shale quartzite, reef
22	Doornkloof No. 350	4,852	1,709	Dolomite Series	Dolomite, chert, intrusive and carbonaceous shale.
E.8K	Kleinfontein No. 141	716	Nil	Dolomite Series	Dolomite and chert
E.8L	Kleinfontein No. 141	974	454	Dolomite Series	Dolomite, chert, carbonaceous shale, and fissured dolomite
E.10E	Gerhard-minnebron No. 139	2,712	1,124	Dolomite Series	Dolomite, chert, carbonaceous shale, and fissured dolomite

Further details are as follows:—

BOREHOLE NO. 21—Drilling in this borehole proceeded in dolomite, with a basic intrusive between 3,762 and 3,769 feet, and with carbonaceous shale bands to a depth of 4,445 feet. The Black Reef series was traversed between depths of 4,445 and 4,448 feet. It comprises only one band of compact quartzite with a narrow highly mineralised conglomerate band at the base which assayed 11.7 dwt. over a corrected width of 6.4 inches equivalent to 75 inch-dwt.

At a depth of 4,448 feet the borehole entered lavas at the Ventersdorp System, in which formation drilling was being continued at the end of the quarter.

BOREHOLE NO. 22—This borehole traversed dolomite with bands of chert and bands of carbonaceous shale, with a basic intrusive between 3,399 and 3,415 feet.

BOREHOLE NO. E.8K—There was no advance in this borehole because the drilling tools were stranded at a depth of 716 feet. The borehole is being re-drilled and has attained a depth of 216 feet.

BOREHOLE NO. E.8L—Diamond drilling was commenced on the 30th May 1960, and the borehole advanced to 974 feet, traversing dolomite with bands of chert.

BOREHOLE NO. E.10E—The formation traversed in this borehole consisted of dolomite, some fissured dolomite and lesser bands of carbonaceous shale and chert. The formation has improved and better progress is being attained.

DIVIDEND—A dividend (No. 23) of 1/10d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to Members registered in the books of the Company at the close of business on 30th June, 1960.

LIBANON GOLD MINING COMPANY LTD.

	Quarter ended 30th June, 1960	Year ended 30th June, 1960
OPERATIONS		
Tons milled	351,000	1,350,000
Total yield ounces fine	83,027	318,369
Yield per ton milled (dwt.)	4.731	4.717
Working Revenue per ton milled	59s. 3d.	59s. 1d.
Working Expenditure per ton milled	47s. 8d.	47s. 10d.
Working Profit per ton milled	11s. 7d.	11s. 3d.
Working Revenue	£1,040,449	£3,987,348
Working Expenditure	837,682	3,227,612
Working Profit	£202,767	£759,736
Capital Expenditure	£111,283	£437,767
Taxation	Nil	Nil
DEVELOPMENT		
Footage Advanced	22,007	78,152
Footage Sampled	12,170	27,625
Payable—Footage	7,860	18,900
Per Cent	64.6	68.4
Stope Width (in.)	47.3	47.8
Inch-dwt.	341	339

HARVE-WATT SHAFT—During the quarter this shaft was sunk a distance of 520 feet to a total depth of 5,939 feet. In addition, the excavation of Nos. 20 and 21 stations was completed.

	Stope Width (in.)	Stope Value (dwt./ton)	Inch-dwt.
Classification			
Main Reef	49.1	4.8	236
Contact Reef	641,000	49.6	5.8

Totals and Averages 2,572,000 49.2 5.0 246

DIVIDEND—A dividend (No. 19) of 4½d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to members registered in the books of the Company at the close of business on 30th June, 1960.

VOGELSTREIBSULT GOLD MINING AREAS LIMITED

	Quarter ended 30th June, 1960	Six months ended 30th June, 1960
PRODUCTION		
Tons milled	255,000	515,000
Total yield ounces fine	55,077	110,674
Yield per ton milled (dwt.)	4.320	4.298
Working Revenue per ton milled	54s. 4d.	54s. 0d.
Working Expenditure per ton milled	49s. 9d.	49s. 3d.
Working Profit per ton milled	4s. 7d.	4s. 9d.
Working Revenue	£692,285	£1,390,175
Working Expenditure	633,610	1,266,815
Working Profit	£58,675	£123,360
Uranium Oxide and Pyrite		
Tons treated in leaching plant	122,400	240,800
Total yield uranium oxide (lb.)	52,683	105,596
Yield per ton treated uranium oxide (lb.)	0.430	0.439
Uranium oxide sold (lb.)	52,683	108,746
Total pyrite produced and sold (tons)	7,749	15,319
Revenue (subject to adjustment)	£276,379	£560,253
Treatment Costs	113,379	232,253
Working Profit	£163,000	£328,000
Total Working Profit	£221,675	£451,360
Taxation	£74,908	£169,606
Capital Expenditure	£2,175	£2,175
Uranium Loan Instalment	£72,000	£144,000

URANIUM QUOTA—This Company has been allocated a quota of 207,360 lb. for the twelve months ending 31st December, 1960:

DEVELOPMENT		
Footage Advanced	10,233	20,737
Footage Sampled	8,485	16,610
Payable—Footage	2,270	4,295
Per Cent	26.8	25.9
Stope Width (in.)	41.4	41.5
Inch-dwt.—Gold	273	274

REPAYMENT OF CAPITAL—A repayment of capital (No. 3) of 8d. per share was declared on 14th June, 1960, in Union of South Africa currency, payable on or about 5th August, 1960, to members registered in the books of the Company at the close of business on 30th June, 1960.

ROBINSON DEEP LIMITED

	Quarter ended 30th June, 1960	Six months ended 30th June, 1960
OPERATIONS		
Tons milled	131,000	270,000
Total yield ounces fine	30,334	58,712
Yield per ton milled (dwt.)	4.631	4.349
Working Revenue per ton milled	58s. 0d.	54s. 6d.
Working Expenditure per ton milled	56s. 4d.	55s. 2d.
Working Profit per ton milled	1s. 8d.	Loss 8d.

Working Revenue	£380,064	£735,640
Working Expenditure	369,214	744,667
Working Profit	£10,850	Loss £9,027
Capital Expenditure	Cr. £3,777	Cr. £2,923
Taxation	Nil	Nil
DEVELOPMENT		
Footage Advanced	1,419	2,236
Footage Sampled	835	1,155
Payable—Footage	505	660
Per Cent	60.5	57.1
Stope Width (in.)	47.0	46.5
Inch-dwt.	268	256

NOTES.—The development returns of the above Mining Companies show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied. Copies of the report of Dominion Reefs (Klerksdorp) Ltd., may be obtained from the London Secretaries, 1 Broad Street Place, E.C.2, and those of the other companies from the Joint London Secretaries, 49 Moorgate, E.C.2.

ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT CO. LIMITED

(Incorporated in the Union of South Africa)

Operating Statistics and Vital Information extracted from the Directors' Reports for Mining Companies associated with the Group for the quarter ended 30th June, 1960, and comparative figures for previous quarter.

(All Companies mentioned are incorporated in the Union of South Africa)

HARTEBEESTFONTEIN GOLD MINING COMPANY, LIMITED.

	Quarter ended 30th June, 1960		Quarter ended 31st March, 1960	
PRODUCTION				
Gold : Tons milled	360,000		300,000	
Yield—ounces fine	167,423		141,250	
—dwt. per ton milled	9.301		9.417	
Uranium : Tons treated :				
From current slimes	360,000		300,000	
From surface accumulations	25,000		57,000	
Total	385,000		357,000	
Yield—lb. of uranium oxide	261,785		247,711	
lb. per ton treated	0.680		0.694	
Uranium oxide sold—lb.	257,771		260,816	
FINANCIAL INFORMATION				
Gold :		Per ton milled		Per ton milled
Revenue	£2,098,619	116s. 7d.	£1,769,832	118s. 0d.
Working costs	1,185,000	65s. 10d.	1,015,000	67s. 8d.
Working profit	913,619	50s. 9d.	754,832	50s. 4d.
Sundry mining revenue	44,552	2s. 6d.	35,000	2s. 4d.
Total working profit from gold..	£958,171	53s. 3d.	£789,832	52s. 8d.
Uranium :		Per lb. sold		Per lb. sold
Revenue	£1,006,404	78s. 1d.	£1,005,115	77s. 1d.
Treatment costs	237,404	18s. 5d.	222,115	17s. 0d.
Estimated profit from uranium oxide	£769,000	59s. 8d.	£783,000	60s. 1d.
Total Working Profit for Quarter..	£1,727,171		£1,572,832	
Working costs (gold only) per ounce fine	141s. 7d.		143s. 9d.	
Development expenditure per ton milled in- cluded in working costs	8s. 11d.		11s. 6d.	
NOTE : All information relating to uranium production is provisional and subject to adjust- ment.				
The following amounts have not been taken into consideration in calculating the working profit shown above :—				
(a) Loans obtained for gold production :				
—Interest	£14,733		£14,845	
—Loan repayment	2,133		1,621	
(b) Loans obtained for uranium production :				
—Interest	£20,218		£20,869	
—Loan repayment	66,708		66,057	
CAPITAL EXPENDITURE				
Gold production (including £131,683 on capital and excess development)	£939,574		£762,069	
Uranium plant	16,105		13,375	
Total	£955,679		£775,444	
Estimated Taxation and Government's Share of profits for the year ended 30th June, 1960 .. £2,174,000				
Dividend : A dividend (No. 9) of 30 per cent (3s. 0d. per share) was declared payable to shareholders registered at 30th June, 1960.				
DEVELOPMENT				
Footage advanced	33,693		32,757	

Sampling results of development on Vaal Reef:			
No. 1 Shaft Area :	Total	Payable	Total
Footage sampled	4,380	3,970	3,420
		(90.6%)	(83.9%)
Channel width (inches)	17.9	17.5	21.3
Inch-dwt. (gold)	358	383	324
Inch-lb. (uranium oxide)	33.20	34.72	27.94
No. 2A and No. 3 Shaft Area :			
Footage sampled	10,815	8,775	7,490
		(81.1%)	(84.1%)
Channel width (inches)	12.0	12.9	10.8
Inch-dwt. (gold)	331	385	374
Inch-lb. (uranium oxide)	21.20	23.02	24.58
Total Mine :			
Footage sampled	15,195	12,745	10,910
		(83.9%)	(84.1%)
Channel width (inches)	13.7	13.7	14.1
Inch-dwt. (gold)	339	384	358
Inch-lb. (uranium oxide)	24.66	26.66	25.63

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

ORE RESERVE :

The Ore Reserve, fully developed as at 30th June, 1960, was estimated as follows :

	Value	Estimated Stopping Width
		(inches)
Available	2,910,000	37.8
Unavailable (Shaft and Safety Pillars)	138,000	38.4
Total and Averages	3,048,000	37.8
	Tons	Gold dwt./ton
	2,910,000	8.86
	138,000	10.45
	3,048,000	8.92
		Uranium Oxide lb./ton
		0.749
		0.825
		0.752

In addition, 20,000 tons at 0.550 lb. per ton, contained in slimes dams were available for treatment for extraction of uranium oxide.

SHAFT SINKING AND EQUIPPING

No. 4 Vertical Shaft

The winder houses have been constructed and the erection of the winders is in progress.

The erection of the sinking fan and ducting has been completed.

Surface installations, ancillary to sinking and pre-cementation from the bottom of the shaft, are nearing completion.

Work on No. 4 shaft compound is proceeding; portion of this compound is occupied.

URANIUM OXIDE PRODUCTION

The Atomic Energy Board has allocated to the Company a sales quota of 1,036,760 lb. of uranium oxide for the year ending 31st December, 1960.

SURFACE BOREHOLES

The first deflection from Borehole H.B.25 encountered faulting and passed from the Kimberley shales into the footwall beds of the Vaal Reef. A further deflection is in progress.

UNSECURED LOAN—£900,000

The Anglo American Corporation of South Africa Limited has agreed to extend the two remaining loan repayment instalments which will now fall due as follows :

Instalment due 30th June, 1961	£400,000
Instalment due 30th June, 1962	£500,000
	£900,000

The Company has the right to pay these instalments at any time prior to their revised due dates.

MERRIESPRUIT (ORANGE FREE STATE) GOLD MINING COMPANY, LIMITED.

	Quarter ended 30th June, 1960		Quarter ended 31st March, 1960	
Capital Expenditure		£138,700		£142,207
DEVELOPMENT				
Footage advanced		6,566		5,519
The above footage was driven by the Virginia mine in the Merriespruit property.				
The 28th level haulage and its companion advanced to 8,291 feet and 8,159 feet, respectively, inside the Merriespruit property.				
Sampling results of development on Basal Reef :—				
		Payable	Total	Payable
Footage sampled	2,965	1,695	790	245
		(57.2%)		(31.0%)
Channel width (inches)	34.8	35.6	19.7	29.3
Inch-dwt. (gold)	229	317	152	280
Inch-lb. (uranium oxide)	8.76	11.45	8.36	13.23
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)				
GENERAL				
During the quarter the water level in No. 2 Shaft fell by 74 feet to 1,511 feet below the collar.				

CONSOLIDATED MURCHISON (TRANSVAAL) GOLDFIELDS AND DEVELOPMENT COMPANY LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
PRODUCTION		
Tons crushed	39,000	39,000
FINANCIAL INFORMATION		
Profit from antimony and gold	£87,756	£138,198
Capital Expenditure	£3,666	£1,117
Taxation for the six months ended 30th June, 1960	£67,250	
Dividend : A dividend (No. 32) of 70 per cent (3s. 6d. per share) was declared payable to members registered on 30th June, 1960.		
DEVELOPMENT		
Footage accomplished all of which was developed in connection with the antimony/gold ore bodies	2,741	2,647
Footage sampled	370	545
Payable footage on account of combined antimony and gold content	260	355
Percentage payable	70	65

VIRGINIA ORANGE FREE STATE GOLD MINING COMPANY, LIMITED.

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
PRODUCTION		
Gold : Tons milled	408,000	387,000
Yield—ounces fine	86,386	87,042
—dwt. per ton milled	4.235	4.498
Uranium : Tons treated	408,000	387,000
Yield—lb. of uranium oxide	152,956	162,699
—lb. per ton treated	0.375	0.420
Uranium oxide sold—lb.	160,556	162,440
FINANCIAL INFORMATION		
Gold :	Per ton milled	Per ton milled
Revenue	£1,081,566	£1,091,812
Working costs	1,071,000	1,076,943
Working profit	£10,566	£14,869
Sundry mining revenue	15,000	12,000
Total Working Profit from Gold	£25,566	£26,869
Uranium oxide :	Per lb. sold	Per lb. sold
Revenue	£680,555	£648,306
Treatment costs	240,555	207,306
Estimated profit from uranium oxide	£440,000	£441,000
Estimated profit from acid	£91,341	£89,970
Total Working Profit for Quarter	£556,907	£557,839

Working costs (gold only) per ounce fine 247s. 11d. 247s. 4d.
Development expenditure per ton milled included in working costs 5s. 0d. 5s. 9d.

NOTE : All information relating to uranium production is provisional and subject to adjustment.

The following amounts have not been taken into consideration in calculating the working profit shown above :

(a) Debenture and Loan Stocks, Housing and other loans—Interest	£54,294	£53,763
(b) Loans obtained for Acid and Uranium production—Interest	42,387	44,117
—Loan Repayment	177,332	175,602
CAPITAL EXPENDITURE		
Gold Production	£36,334	£54,824
Uranium and acid plants	8,398	846
Total	£44,732	£55,670

Taxation and Government's share of profits for the half year ended 30th June, 1960. Nil

DEVELOPMENT Footage advanced 20,739 18,244

This includes 6,566 feet of development advanced in the Merriespruit property in terms of the agreement entered into with Merriespruit (Orange Free State) Gold Mining Company Limited.

Sampling results of development on Basal and Leader Reefs :—

	Total	Payable	Total	Payable
Footage sampled	7,895	2,425 (30.7%)	6,510	1,910 (29.3%)
Channel width (inches)	29.5	30.6	24.4	29.4
Inch-dwt. (gold)	149	288	135	304
Inch-lb. (uranium oxide)	12.42	24.57	11.60	24.21

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

GENERAL

Uranium Oxide Production
The Atomic Energy Board has allocated to the company a sales quota of 645,760 lb. of uranium oxide for the year ending 31st December, 1960.

VILLAGE MAIN REEF GOLD MINING COMPANY (1934) LIMITED.

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
PRODUCTION		
Tons milled (including 10,560 tons from accumulated slimes)	92,900	93,000
Yield—ounces fine	13,877	14,289
—dwt. per ton milled	2.988	3.073
FINANCIAL INFORMATION		
Revenue from gold	£173,691	£179,173
Working Costs	174,418	176,244
Working loss	727	*2,929
Sundry mining revenue	2,200	650
Total Working Profit for Quarter	£1,473	£3,579
Working costs per ounce fine	251s. 5d.	246s. 8d.
Development expenditure per ton milled included in working costs	1s. 9d.	1s. 4d.
Capital Expenditure	£355	£8,281
Estimated Taxation for the year ended 30th June, 1960	£380	
DEVELOPMENT		
Footage advanced	2,473	2,045
Reconditioning footage	6,495	5,123

Discussions are being held with Robinson Deep Limited with a view to entering into negotiations to mine on a royalty basis some of the upper areas of the Robinson Deep mine.

*Working Profit

NEW KLERKSDORP GOLD ESTATES, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
FINANCIAL INFORMATION		
Net loss from gold production	£17,167	£17,463
Estimated profit from uranium oxide production (subject to adjustment)	31,500	32,000
Total Working Profit for Quarter	£14,333	£14,537

The following amounts have not been taken into consideration in calculating the working profit shown above :—
Loans obtained for uranium oxide production :
Interest £383 £401
Loan repayment £1,869 £1,851
Estimated taxation for the half year ended 30th June, 1960 £500

DIVIDEND

A dividend (No. 11) of 25 per cent (1s. 3d. per share) was declared payable to shareholders registered at 30th June, 1960.

URANIUM OXIDE PRODUCTION

The Atomic Energy Board has allocated to the Stilfontein Joint Production Scheme a sales quota of 898,720 lb. of uranium oxide for the year ending 31st December, 1960, of which this Company's proportion is 84,920 lb.

ZANDPAN GOLD MINING CO. LTD.

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
FINANCIAL INFORMATION		
Capital Expenditure	£348,502	£312,424
Total Capital Expenditure to 30th June, 1960, amounted to £3,003,707.		
SHAFT SINKING AND EQUIPPING		
No. 1 Shaft :	feet	feet
Footage sunk	1,311	841
Depth below collar	4,363	3,052
Concrete lining accomplished	1,311	841
Depth of concrete lining below collar	4,333	3,022

The first 5,145 h.p. winder has been commissioned.

GENERAL

A surface borehole situated approximately 4,800 feet west of No. 1 Shaft, is being drilled to obtain structural information for the siting of No. 2 Shaft.

EASTERN TRANSVAAL CONSOLIDATED MINES, LIMITED.

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
PRODUCTION		
Tons milled	57,600	56,600
Yield—ounces fine	19,653	18,801
—dwt. per ton milled	6.824	6.643
FINANCIAL INFORMATION		
Revenue from gold	£245,716	£235,949
Working costs	208,227	199,612
Working profit	£37,489	£36,337
Sundry mining revenue	9,757	7,417
Total Working Profit for Quarter	£47,246	£43,754
Capital Expenditure	£9,872	£20,399
Estimated Taxation for the year ended 30th June, 1960	Cr. £6,000	
Dividend—A dividend (No. 33) of 5 per cent (3d. per share) was declared payable to shareholders registered at 30th June, 1960.		
DEVELOPMENT		
Footage advanced	10,033	9,586

ORE RESERVE
The ore reserve, fully developed as at 30th June, 1960, was estimated as follows :—

	Tons	Value (dwt./ton)	Stopping Width (inches)
Available	220,800	15.36	58.3
Shaft and Safety Pillars	8,400	6.78	34.7
Total and Averages	229,200	15.05	57.0

GENERAL

Mamre Mine

As the payable ore in the Mamre mine has become exhausted, reclamation and sweeping operations ceased during the quarter. Withdrawal of equipment from underground is in progress and clean-up operations have commenced.

Mount Morgan Mine

Diamond drilling to test the ore-body below the lowest developed body is still in progress.

A total of 93 feet of development was accomplished in the mine.

Agnes Mine

The old Woodbine shaft is being reconditioned.

LORAINÉ GOLD MINES LIMITED

PRODUCTION		Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
Gold :	Tons milled	245,000	218,000
	Yield—ounces fine	52,068	45,951
	—dwt. per ton milled	4.250	4.216
Uranium : (Joint Production Scheme)			
	Tonnage apportioned	237,305	204,310
	Pounds apportioned	45,386	44,666
	Yield per ton on lb. apportioned	0.191	0.219
	Uranium oxide sold—lb.	44,045	44,594

FINANCIAL INFORMATION		Per ton milled	Per ton milled
Gold :			
Revenue	£651,360	53s. 2d.	57s. 9d.
Working costs	704,375	57s. 6d.	65s. 10d.
Working loss	53,015	4s. 4d.	7s. 0d.
Sundry mining revenue	3,000	3d.	3d.
Net working loss from gold	£50,015	4s. 1d.	£73,683
Uranium oxide :			
Revenue	£205,587	93s. 4d.	£208,965
Treatment costs	105,587	47s. 11d.	102,965
Estimated profit from uranium oxide	£100,000	45s. 5d.	£106,000
Total Working Profit for Quarter	£49,985		£32,317

Working costs (gold only) per ounce fine	270s. 7d.	283s. 10d.
Development expenditure per ton milled included in working costs	5s. 4d.	5s. 5d.

NOTE : All information relating to uranium production is provisional and subject to adjustment.

The following amount has not been taken into consideration in calculating the working profit shown above :—

6% Registered Unsecured Notes—Interest	£8,199	£8,199
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CAPITAL EXPENDITURE

Gold production (including £167,291 in respect of underground development charged to capital)	£684,827	£546,594
Uranium oxide production :		
Contribution towards capital cost of the joint uranium plant	£41,673	£37,854
Total	£726,500	£584,448

Taxation and Government's share of profits for the nine months ended 30th June, 1960

DEVELOPMENT

Footage advanced	16,252	15,967
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The 52nd level haulage and its companion advanced 2,429 feet and 2,591 feet, respectively, during the quarter and were holed to No. 3 Shaft.

Sampling results obtained :—

Basal Reef		Total	Payable	Total	Payable
Footage sampled	290	30	965	165	
Channel width (inches)	4.2	(10.3%)	4.9	(17.1%)	
Inch-dwt. (gold)	88	4.0	100	3.7	
Inch-lb. (uranium oxide)	8.44	152	100	158	
"B" Reef		9.19	9.31	9.48	
Footage sampled	1,775	455	1,250	155	
Channel width (inches)	22.9	(25.6%)	16.4	(12.4%)	
Inch-dwt. (gold)	158	21.7	93	14.9	
Inch-lb. (uranium oxide)	8.42	425	311	311	
Elsburg Reefs		10.84	6.90	11.23	
Footage sampled	1,160	610	2,345	1,410	
Channel width (inches)	41.4	(52.6%)	38.4	(60.1%)	
Inch-dwt. (gold)	325	40.5	315	39.5	
Inch-lb. (uranium oxide)	19.17	526	315	469	
Total—All Reefs		25.26	16.43	21.40	
Footage sampled	3,225	1,095	4,560	1,730	
Channel width (inches)	27.9	(34.0%)	25.3	(37.9%)	
Inch-dwt. (gold)	212	31.7	208	33.9	
Inch-lb. (uranium oxide)	12.28	474	12.31	425	
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)		18.83	12.31	19.35	

SHAFT SINKING AND EQUIPPING

No. 3 Shaft		feet	feet
Footage sunk	121	273	
Depth below collar	5,851	5,730	
Concrete lining accomplished	136	300	
Depth of concrete lining below collar	5,851	5,715	

Sinking and equipping of this shaft have been completed and the shaft is in commission.

A total of 22,900 cubic feet was excavated in the cutting of the reef and waste loading bins and in a pump chamber at the shaft bottom.

Work on the equipping of the intermediate pump station at 2,790 feet below the collar is nearing completion.

URANIUM OXIDE PRODUCTION

The Atomic Energy Board has allocated to the Orange Free State Joint Uranium Production Scheme, in which this Company participates, a sales quota of 1,155,260 lb. of uranium oxide for the year ending 31st December, 1960.

RAND LEASES (VOGELSTUISFONTEIN)
GOLD MINING COMPANY, LIMITED

PRODUCTION		Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
Tons milled		561,000	531,500
Yield—ounces fine		84,342	80,701
—dwt. per ton milled		3.007	3.037

FINANCIAL INFORMATION		Per ton milled	Per ton milled
Revenue from gold	£1,056,209	37s. 8d.	£1,010,629
Working costs	1,016,046	36s. 3d.	954,463
Working profit	40,163	1s. 5d.	56,166
Sundry mining revenue	11,700	5d.	11,600
Total Working Profit for Quarter	£51,863	1s. 10d.	£67,766
Working costs per ounce fine		240s. 11d.	236s. 7d.
Development expenditure per ton milled included in working costs		3s. 0d.	2s. 7d.
Capital Expenditure	£2,459		£1,153
Estimated Taxation for the year ended 30th June, 1960	£8,500		

DEVELOPMENT

Footage advanced	11,244	9,230
Sampling results obtained :—		
Main Reef	Total	Payable
Footage sampled	2,340	755
Channel width—inches	42.0	39.6
Inch-dwt.	152	249
Main Reef Leader		
Footage sampled	1,390	595
Channel width—inches	21.1	19.6
Inch-dwt.	163	288
South Reef		
Footage sampled	50	10
Channel width—inches	9.4	7.0
Inch-dwt.	147	488
Total—Main Reef Series		
Footage sampled	3,780	1,360
Channel width—inches	33.9	30.6
Inch-dwt.	156	268
Bird Reef		
Footage sampled	730	460
Channel width—inches	56.5	63.2
Inch-dwt.	195	270
Kimberley Reef		
Footage sampled	2,460	230
Channel width—inches	55.9	58.9
Inch-dwt.	99	199
Total—All Reefs		
Footage sampled	6,970	2,050
Channel width—inches	44.0	41.1
Inch-dwt.	140	261

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

ORE RESERVE

The ore reserve, fully developed as at 30th June, 1960, was estimated as follows:

		Main Reef	Bird Reef	Kimberley	Totals and Averages
Available					
Tons	1,123,000	199,000	125,000	1,447,000	
Value—dwt. per ton	4.30	2.83	2.91	3.98	
Estimated stoping width—inches	45.9	48.7	66.2	47.6	
Shaft and Safety Pillars					
Tons	620,000	5,000	25,000	650,000	
Value—dwt. per ton	4.48	3.03	2.98	4.42	
Estimated stoping width—inches	43.8	47.3	65.4	44.4	
Total					
Tons	1,743,000	204,000	150,000	2,097,000	
Value—dwt. per ton	4.37	2.83	2.92	4.12	
Estimated stoping width—inches	45.2	48.7	66.0	46.5	

GENERAL

Repayment of Capital

Capital repayment instalment No. 3 of 6d. per share was declared payable to shareholders registered at 30th June, 1960.

ANGLO-TRANSVAAL COLLIERIES, LIMITED

The Sales Output of the Subsidiary Collieries controlled by this company for the quarter ended 30th June, 1960, totalled 330,859 tons. (Quarter ended 31st March, 1960 — 298,257 tons.)

Both totals are subject to correction for road loading tonnage.

THE CENTRAL MINING—RAND MINES GROUP

South African Mining Companies' Directors' Reports for Quarter ended 30th June, 1960.

Office of the London Secretaries : 4 London Wall Buildings, E.C.2

The development values quoted hereunder represent actual results of sampling, no allowance having been made for any adjustments which may be or were necessary when estimating ore reserves at the ends of the respective financial years.

DURBAN ROODEPORT DEEP, LIMITED.

Ore Milled 577,000 tons	Yield 106,091 oz. fine	Yield per ton 3.677 dwt.	Per ton Milled
Working Revenue	£1,328,271	46 0	s. d.
Working Expenditure	1,183,466	41 0	
WORKING PROFIT	£144,805	5 0	

Adjusting for Sundry Revenue £11,200, the **TOTAL PROFIT** was £156,005. Taxation £15,200.
Dividend No. 79 of 1s. 6d. per share—declared on 9th June, 1960, payable on or about 4th August, 1960 to Shareholders registered on 30th June, 1960, £174,400.
Capital Expenditure on shaft sinking and equipment, etc. (net) £40,900. DEVELOPMENT totalled 25,468 feet.

PAYABLE DISCLOSURES					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Kimberley Reef	5,350	3,560	66.5	6.5	45
South Reef	700	70	10.0	17.9	10
Main Reef	6,570	3,240	49.3	10.3	39
TOTALS AND AVERAGES	12,620	6,870	54.4	8.1	42

I.E. Sub-vertical Shaft was raised 42 feet to a total height of 103 feet above the 40th level.

EAST RAND PROPRIETARY MINES, LIMITED.

Ore Milled 659,000 tons	Yield 162,054 oz. fine	Yield per ton 4.918 dwt.	Per ton Milled
Working Revenue	£2,027,806	61 7	s. d.
Working Expenditure	1,786,732	54 3	
WORKING PROFIT	£241,074	7 4	

Adjusting for Sundry Expenditure (net) £1,400, the **NET PROFIT** was £239,674. Taxation £2,500.
Dividend No. 81 of 1s. 9d. per share—declared on 9th June, 1960, payable on or about 4th August, 1960, to Shareholders registered on 30th June, 1960, £346,500.
Capital Expenditure, £390,200. DEVELOPMENT totalled 16,770 feet.

PAYABLE DISCLOSURES					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
South Reef	570	210	36.8	5.7	50
Main Reef Leader	290	40	13.8	20.6	22
Composite Reef	1,660	740	44.6	12.6	40
Main Reef	1,120	130	11.6	6.7	67
TOTALS AND AVERAGES	3,640	1,120	30.8	10.3	44

CROWN MINES, LIMITED

Ore Milled 577,000 tons.	Yield 99,736 oz. fine	Yield per ton 3.457 dwt.	Per ton Milled
Working Revenue	£1,248,528	43 3	s. d.
Working Expenditure	1,247,150	43 2	
WORKING PROFIT	£1,378	0 1	

Adjusting for Sundry Revenue, £13,500, and profit on realization of trade investments, £42,400, the **TOTAL PROFIT** was £57,278. Taxation (Cr.) £5,800.
Dividend No. 118 of 2s. 0d. per share declared on 9th June, 1960, payable on or about 4th August, 1960, to Shareholders registered on 30th June, 1960, £188,600.
Capital Expenditure (net) £10,600.
Operations.—The tonnage milled and working profit were adversely affected by the fracture of the drum shaft at R.8 Incline Shaft hoist.
DEVELOPMENT totalled 10,517 feet.

PAYABLE DISCLOSURES					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Kimberley Reef	1,205	295	24.5	5.9	52
South Reef	995	285	28.6	31.3	20
Main Reef Leader	2,085	685	32.9	20.3	16
Main Reef	1,620	80	4.9	6.8	50
TOTALS AND AVERAGES	5,905	1,345	22.8	14.3	27

MODDERFONTEIN EAST, LIMITED

Ore Milled 408,000 tons	Yield 38,905 *oz. fine	Yield per ton 1.907 dwt.	Per ton Milled
Working Revenue	£487,903	23 11	s. d.
Working Expenditure	485,812	23 10	
WORKING PROFIT	£2,091	0 1	

Adjusting for *Additional Revenue derived from clean-up operations £37,487 and Sundry Revenue, £2,800, the **TOTAL PROFIT** was £42,378. Taxation and Lease Consideration £5,400.
Dividend No. 66 of 6d. per share—declared on 9th June, 1960, payable on or about 4th August, 1960, to Shareholders registered on 30th June, 1960, £23,300. DEVELOPMENT totalled 318 feet.

PAYABLE DISCLOSURES					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Main Reef Leader	230	105	45.7	6.0	22
The ORE RESERVE at 30th June, 1960, has been re-estimated as follows:—					
		Tons	dwt./ton	Inches	
Available	357,000	3.9	40.5		
Not Available	51,000	4.2	39.4		
TOTAL	408,000	3.9	40.4		

* In addition to the 38,905 ounces of gold yielded from normal operations during the quarter, 3,000 ounces were derived from clean-up operations.

BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED.

Ore Milled 382,000 tons	Slime treated for Uranium 481,373 tons
GOLD YIELD	URANIUM YIELD
Ozs. Fine Dwt. per ton	lb. lb. per ton
251,098 13.146	167,518 0.348
Uranium sold 161,430 lb.	

GOLD		Per ton Milled
Working Revenue	£3,143,917	164 7
Working Expenditure	1,238,953	64 10
WORKING PROFIT	£1,904,964	99 9
URANIUM SOLD		
Revenue	£674,546	
Treatment Costs	233,982	
Working Profit	£440,564	
SULPHURIC ACID		
Working Profit	£41,436	
TOTAL WORKING PROFIT	£2,386,964	

Adjusting for Sundry Revenue (net) £59,600, less interest on Uranium and Sulphuric Acid Loans, £21,600, the **TOTAL PROFIT** was £2,424,964. Taxation and Lease Consideration £1,270,000.
Dividend No. 29 of 1s. 3d. per share declared on 9th June, 1960, payable on or about 4th August, 1960, to Shareholders registered on 30th June, 1960, £1,500,000.
Capital Expenditure £762,900.
Uranium and Sulphuric Acid Loan Accounts—Quarterly Instalment—Capital Repayment, £135,800.
URANIUM—The Atomic Energy Board has allotted a quota of 649,720 lb. to this Company for the year ending 31st December, 1960, in respect of the uranium oxide to be sold by the industry for delivery to the Combined Development Agency.
No. 4 SHAFT—Excavations for the collar have reached a depth of 64 feet and placing of concrete for the collar and base of the headgear has commenced. Erection of the permanent and stage hoists is well in hand.
DEVELOPMENT totalled 18,530 feet.

PAYABLE DISCLOSURES					
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Carbon Leader	4,800	4,435	90.0	107.7	7
No. 4 Shaft was sunk to a total depth of 64 feet.					
The ore reserve was re-estimated at 30th June, 1960, as follows:—					
		Tons	dwt./ton	Width inches	Uranium Value lb./ton
Available	4,478,000	14.6	42.4		0.573
Not available	1,625,000	12.1	44.7		0.519
TOTAL	6,103,000	14.0	43.0		0.559

The total tonnage of accumulated slime still available for treatment for uranium is approximately 2,675,000 tons at an estimated value of 0.420 lb. per ton

CITY DEEP, LIMITED

Ore Milled 341,000 tons	Yield 69,710 oz. fine	Yield per ton 4.089 dwt.	Per ton Milled s. d.
Working Revenue	£872,570	51 2	
Working Expenditure	857,486	50 3	
WORKING PROFIT	£15,084	0 11	

Adjusting for Sundry Revenue £8,200, and profit on realization of trade investments £20,200, the **TOTAL PROFIT** was £43,484.
 Capital Expenditure £2,400. Taxation £3,000.
 Dividend No. 78 of 7½d. per share—declared on 9th June, 1960, payable on or about 4th August, 1960, to Shareholders registered on 30th June, 1960, £63,300.
DEVELOPMENT totalled 8,059 feet.

PAYABLE DISCLOSURES				
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton
South Reef	600	60	10.0	37.8
Main Reef Leader	1,770	720	40.7	19.5
Main Reef	1,200	150	12.5	9.0
TOTALS & AVERAGES	3,570	930	26.1	17.1

CONSOLIDATED MAIN REEF MINES AND ESTATE LIMITED

Ore Milled 186,000 tons	Yield 38,571 oz. fine	Yield per ton 4.147 dwt.	Per ton Milled s. d.
Working Revenue	£482,124	51 10	
Working Expenditure	466,505	50 2	
WORKING PROFIT	£15,619	1 8	

Adjusting for * Additional Revenue derived from clean-up operations £37,487, Sundry Revenue £5,700, and profit on realization of trade investments £17,300, the **TOTAL PROFIT** was £76,106.
 Taxation £2,100.

Dividend No. 101 of 1s. 6d. per share—declared on 9th June, 1960, payable on or about 4th August, 1960, to Shareholders registered on 30th June, 1960, £93,570.
DEVELOPMENT totalled 1,072 feet.

PAYABLE DISCLOSURES				
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton
South Reef	280	150	30.0	65.0
Main Reef Leader	500	150	30.0	65.0
TOTALS & AVERAGES	780	150	19.2	65.0

The **ORE RESERVE** at 30th June, 1960 has been re-estimated as follows:—

	Tons	dwt./ton	Inches
Available	181,000	8.6	40.2
Not Available	229,000	6.7	39.2
TOTAL	410,000	7.5	39.6

* In addition to the 38,571 ounces of gold yielded from normal operations during the quarter, 3,000 ounces were derived from clean-up operations.

HARMONY GOLD MINING COMPANY, LIMITED.

Ore Milled 476,000 tons	Slimes treated for Uranium 475,010 tons	Per ton Milled s. d.
GOLD YIELD	URANIUM YIELD	
Oz. Fine 192,025	Dwt. per ton 8.068	234,300 lb. per ton 0.493
Pyrites concentrate recovered 7,342 tons	Uranium sold 234,300 lb.	
Sulphuric Acid produced 7,607 tons		

GOLD						Per ton Milled	
						s.	d.
Working Revenue	..	..	..	..	£2,404,248	..	101 0
Working Expenditure	..	..	..	..	1,535,432	..	64 6
WORKING PROFIT	..	..	..	..	£868,816	..	36 6

URANIUM SOLD AND PYRITES PRODUCED	
Revenue	£956,995
Treatment Costs	303,084
Working Profit	£653,911
SULPHURIC ACID	
Working Profit	52,751
TOTAL WORKING PROFIT	£1,575,478

Adjusting for interest on Uranium and Pyrites Loans £21,900 and interest on Central Mining Finance Loan £32,200, less Sundry Revenue £26,500, the **NET PROFIT** was £1,547,878.

Capital Expenditure, £578,900.
 Uranium and Pyrites Loans—Quarterly Instalment—Capital Repayment £96,000.

Central Mining Finance Limited Loan—Capital Repayment £500,000.
URANIUM—The Atomic Energy Board has allocated a quota of 489,760 lb. to this Company for the year ending 31st December, 1960, in respect of the uranium oxide to be sold by the industry for delivery to the Combined Development Agency. In addition the Company supplies uranium oxide to the United Kingdom in terms of its contract with the United Kingdom Atomic Energy Authority.

CENTRAL MINING FINANCE LIMITED LOAN—CAPITAL REPAYMENT—The first repayment of £500,000 against the Central Mining Finance Limited loan was made on 30th June, 1960, leaving a balance of £1,500,000 to be repaid.

TAXATION AND LEASE CONSIDERATION—No South African taxation or Lease Consideration is as yet payable by the Company.

No. 2 SHAFT—The automatic winder has been installed and was being test run at the end of June, 1960.

In addition to the normal reef and off-reef development accomplished during the quarter, 4,516 feet and 4,091 feet of off-reef development was done on 21 and 25 levels respectively.

VENTILATION SHAFT—The first of the four large surface fans has been installed. The final installation is expected to handle 1,800,000 c.f.m.

UNDERGROUND WATER—During the quarter the water pumped per 24 hours averaged 4,528,000 gallons and for the month of June, 4,376,000 gallons.

DEVELOPMENT—Totalled 20,904 feet.

PAYABLE DISCLOSURES				
Reef	Footage Sampled	Feet	%	Channel Value dwt./ton
Basal	3,115	3,000	96.3	19.5
The ORE RESERVE was re-estimated at 30th June, 1960, as follows:—				
	Tons	dwt./ton	Inches	Value
Available	4,692,000	8.6	50.5	0.610
Not available	338,000	7.6	57.2	0.442
TOTAL	5,030,000	8.5	50.9	0.599

PNEUMOCONIOSIS—With the exception of Transvaal Gold Mining Estates Limited, each of the above-mentioned Companies will NOT be required to make any contributions in respect of the annual levy for the year ending 31st March, 1961.

ECONOMICS OF SOUTH AFRICAN GOLD MINING

by R. E. WALLACE and A. S. ROBERTSON

With illustrations by JOHN L. TURNER

THIS book (now available for the first time at a "popular" price) has been specially written for the non-technical mining investor by two Johannesburg accountants in collaboration with a geologist and a mining engineer. It explains how to make full use of the wealth of geological, mining and statistical data, published monthly and quarterly, by the South African groups.

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PRICE 12s. 6d.

GENERAL MINING & FINANCE CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

GOLD MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 30th JUNE, 1960

All companies mentioned are incorporated in the Union of South Africa

	BUFFELSFONTEIN GOLD MINING COMPANY LIMITED			ELLATON GOLD MINING COMPANY LIMITED			SOUTH ROODEPOORT MAIN REEF AREAS LIMITED			STILFONTEIN GOLD MINING COMPANY LIMITED			WEST RAND CONSOLIDATED MINES LIMITED		
	Dec. 1959	March 1960	June 1960	Dec. 1959	March 1960	June 1960	Dec. 1959	March 1960	June 1960	Dec. 1959	March 1960	June 1960	Dec. 1959	March 1960	June 1960
PRODUCTION															
GOLD: Tons milled	435,000	418,000	441,000	89,000	83,000	88,000	90,000	89,000	89,000	480,000	454,000	496,000	403,000	373,000	410,000
Ounces fine recovered	167,931	164,534	175,112	20,705	19,238	20,775	21,419	21,237	21,417	216,118	204,430	223,500	56,604	52,769	59,302
Yield per ton—dwt.	7.721	7.872	7.942	4.653	4.736	4.722	4.760	4.772	4.813	9.005	9.006	9.012	2.809	2.829	2.893
Revenue per ton milled	96/8	98/8	99/4	58/2	59/6	59/1	60/2	60/3	60/8	112/8	112/10	112/11	36/8	37/-	37/7
Cost per ton milled	55/8	58/8	56/6	40/-	42/1	41/2	44/11	45/2	45/2	62/7	66/8	65/3	34/9	36/11	36/0
Profit per ton milled	41/-	40/-	42/10	18/2	17/5	17/11	15/3	15/1	15/6	50/1	46/2	47/8	1/11	1d	1/7
URANIUM: Tons milled	—	—	—	—	—	—	—	—	—	—	—	—	226,000	227,000	228,000
Tons treated	379,000	330,000	386,000	99,783	97,697	92,792	308,500	319,700	397,500	308,500	319,700	397,500	226,000	227,000	228,000
Uranium oxide produced lb.	190,079	188,736	192,036	29,285	31,433	29,136	94,648	92,049	95,769	94,648	92,049	95,769	311,700	311,229	321,478
Yield per ton treated—lb.	0.5015	0.5719	0.4975	0.2935	0.3217	0.3140	0.3068	0.2879	0.3219	0.3068	0.2879	0.3219	1.379	1.371	1.41
Uranium oxide sold—lb.	191,765	191,750	193,210	30,800	30,800	28,722	90,949	92,940	91,968	90,949	92,940	91,968	311,531	311,702	310,536
URANIUM SECTION (WEST RAND CONS)															
Gold—ounces fine recovered	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Yield per ton—dwt.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cost per ton	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
FINANCIAL															
GOLD: Working revenue	2,102,007	2,062,573	2,190,817	258,972	247,038	260,060	270,741	268,076	269,987	2,704,676	2,562,402	2,800,363	738,040	690,325	776,310
Working costs	1,211,343	1,225,519	1,245,722	178,021	174,656	181,100	202,118	200,996	201,118	1,502,008	1,514,204	1,619,123	699,745	688,157	737,917
Working profit	890,664	837,054	945,095	80,951	72,382	78,960	68,623	67,080	68,869	1,202,668	1,048,198	1,181,240	38,795	2,168	32,393
URANIUM: Working revenue	758,999	767,821	756,387	131,260	135,919	149,671	382,789	402,560	392,957	382,789	402,560	392,957	1,231,857*	1,215,854*	1,214,650*
Working and treatment costs	185,999	197,821	181,387	80,260	84,919	95,671	159,789	176,260	178,957	159,789	176,260	178,957	612,037	585,206	584,569
Working profit	573,000	570,000	575,000	51,000	52,000	54,000	223,000	226,000	214,000	223,000	226,000	214,000	619,820	630,648	630,081
SULPHURIC ACID: Working profit	62,000	61,000	63,000	—	—	—	49,000	47,000	51,000	49,000	47,000	51,000	48,261	27,223	21,033
Additional revenue	1,525,664	1,468,054	1,583,095	131,951	124,382	132,940	1,474,668	1,321,398	1,446,240	1,474,668	1,321,398	1,446,240	706,876	660,039	683,507
TOTAL PROFIT	—	—	—	—	—	—	305,000	412,000	417,000	305,000	412,000	417,000	307,000	278,000	293,000
Taxation (Inc. State's share of profits)	726,377	131,284	222,270	145,049	116,915	109,209	—	—	—	181,506	165,631	181,506	74,472	74,472	74,472
Uranium and other Loan repayments (including interest)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
CAPITAL EXPENDITURE:															
Gold	457,670	637,171	886,591	Cr. 850	Cr. 75	Cr. 41	7,211	591	808	795,146	425,689	466,128	7,126	22,125	Cr. 13,383
Uranium, Pyrite and Acid	10,868	17,005	4,929	Nil	Nil	—	—	—	—	59,608	58,724	68,564	—	—	—
Amortisation Contributions received (Uranium)	—	—	—	12,153	12,153	12,153	—	—	—	—	—	—	—	—	—
Dividend per share	1/6	—	9/16s	12/15	—	—	—	—	—	—	—	—	2/3 Ord.	—	2/3 Ord.
Footage:															
Contracted	31,527	30,697	32,978	1,053	667	652	6,474	6,598	6,417	30,688	28,443	26,081	11,456	10,003	12,903
Footage payable	4,115	6,610	5,176	1,665	50	170	2,600	3,035	3,405	8,310	6,145	5,925	5,245	4,245	5,550
Percentage payable	3,605	5,635	4,500	250	20	90	1,150	1,600	1,095	7,225	4,530	4,935	3,795	3,010	4,040
Channel width—inches	86.8	88.3	87.0	43.6	40	52.9	44.2	52.7	32.2	86.9	73.7	83.3	72.4	70.9	72.8

*Includes revenue from gold and sundry

2/3 Ord. — 2/3 Ord.

Kimberley Reefs

11,456 10,003 12,903

5,245 4,245 5,550

3,795 3,010 4,040

72.4 70.9 72.8

CAPITAL EXPENDITURE: Gold Uranium, Pyrite and Acid Amortisation Contributions received (Uranium) Dividend per share	457,670 637,171 17,005 —	Cr. 850 Nil Nil —	Cr. 41 — — —	7,211 — — —	591 — — —	808 — — —	795,146 — — —	425,689 — — —	466,128 — — —	7,126 9,478 — —	22,125 Nil — —	Cr. 13,383 — — —
Total footage advanced Footage payable Percentage payable Channel width—Inches Gold: Average value—dwt. Inch-dwt. Uranium: Pounds per ton Inch-pounds	31,527 4,115 3,605 86.8 35.0 19.4 680 1,258 44.04	30,697 6,610 5,835 88.3 38.9 14.6 567 1,062 41.34	1,023 665 290 43.6 22.7 13.9 315 0.955 21.70	662 40 20 40 16.5 36.1 995 1,922 31.72	652 170 90 52.9 28.2 9.6 269 0.899 25.32	6,417 3,035 1,095 32.2 28 7.9 260 265	30,688 8,310 7,225 86.9 7.8 47.4 1,764 13.76	28,443 6,143 4,530 73.7 7.3 52.2 1,723 12.58	26,491 5,925 4,935 83.3 6.0 72.0 2,080 12.48	11,456 5,245 3,795 72.4 41.5 7.1 294 —	10,003 4,245 5,010 72.8 37.1 7.8 287 —	Cr. 12,943 5,550 4,040 72.8 39.8 7.9 313 —
URANIUM SECTION (WEST RAND CONS) Total footage advanced Footage payable Percentage payable Channel width—Inches Gold value—Inch-dwt. Uranium: Pounds per ton Value—Inch-pounds	11,616 6,560 5,295 80.7 22.3 54 3,544 79.03	10,456 5,077 4,270 84.1 25.2 55 3,212 80.94	10,154 5,720 4,765 83.3 22.9 49 3,019 69.12	11,616 6,560 5,295 80.7 22.3 54 3,544 79.03	10,456 5,077 4,270 84.1 25.2 55 3,212 80.94	10,154 5,720 4,765 83.3 22.9 49 3,019 69.12	11,616 6,560 5,295 80.7 22.3 54 3,544 79.03	10,456 5,077 4,270 84.1 25.2 55 3,212 80.94	10,154 5,720 4,765 83.3 22.9 49 3,019 69.12	11,616 6,560 5,295 80.7 22.3 54 3,544 79.03	10,456 5,077 4,270 84.1 25.2 55 3,212 80.94	10,154 5,720 4,765 83.3 22.9 49 3,019 69.12

NOTE:
DEVELOPMENT VALUES REPRESENT ACTUAL RESULTS OF SAMPLING, NO
ALLOWANCE HAVING BEEN MADE FOR ANY REDUCTIONS WHICH, SUBSEQUENTLY,
MAY BE CONSIDERED NECESSARY WHEN COMPILING THE ORE RESERVES

URANIUM SALES QUOTAS

Notes: (1) Advice has been received from the Atomic Energy Board that the following Uranium Sales Quotas have been allocated to uranium producers of the Group for the year ending 31st December, 1960: Buffelsfontein Gold Mining Company Limited 762,280 pounds; Stifffontein Joint Plant 898,720 pounds, of which the share apportioned to Ellerton Gold Mining Company Limited is 122,450 pounds and to Stifffontein Gold Mining Company Limited 341,650 pounds; West Rand Consolidated Mines Limited 1,238,200 pounds.

(2) Copies of the full quarterly Reports may be obtained on application to the London Secretaries at address given below.

London Office: Winchester House, Old Broad Street, E.C.2

14th July, 1960

For and on behalf of General Mining & Finance Corporation Limited, B. M. IVISON, London Secretary

Has the Market Grounded?

As indicated in our opening paragraph, there is some reason to think that the market has entered a more stable phase with the end of selling from those who decided to cut their losses and get out after Sharpeville. However, it is one thing to think that the shakeout may be at an end but it is another to see cause for any sharp recovery and it will be some time before we can look for any significance in short term movements.

Indeed it is difficult to see how a recovery can be looked for so long as the government's eventual intentions are not made clear. Despite official statements, few observers either inside or outside the Union believe that South African government policy will remain permanently unchanged by the recent disturbances; but even if this were to prove to be so, there must surely be some clarification of the government's economic plans for giving effect to its policies.

A Shift of Policy Takes Time

Although members of the government and the Nationalist Press have made repeated statements, which seem to suggest a last ditch stand on racial policies of indefinite duration, and quite regardless of the cost to the national economy, it should not be overlooked that the government has also quite specifically indicated that certain concessions will be granted to urban Africans, although the extent and timing of these has yet to be made clear. For how long is the holder of South African shares likely to have to endure this political ambivalence?

Leaders of the government are mostly men of high intelligence and high purpose, who are certainly fully aware of the economic facts of life, and although they may continue to display an ostrich-like posture in public, it would as yet be premature to deduce that in private the process of collective cerebration has been arrested. Indeed it is probable that one of the reasons why nothing has yet been done is because the debate as to what should be done still continues.

Progress on this front has doubtless been delayed by the Prime Minister's most deplorable injury and owing to uncertainty as to how quickly and how completely he would prove able to resume his duties. Beyond this it has been apparent that the views of the Transvaal Nationalist Party and of the Cape Nationalists are somewhat at variance and that these differences have clearly to be reconciled before the government can set its political course, firmly and convincingly. Moreover there must be a strong government disinclination to take precipitate action, which might appear to suggest that civil disturbance is the shortest route to African advancement. (The Commissions of Enquiry into the disturbances have yet to table their reports.)

Beyond this again is the problem of the referendum on the Republican issue. Events in the Congo have had a profound effect on the electorate in the Union, and whatever the background to the Congo fiasco, reports of the brutal rape of women and children will be a major factor in the balloting in the Republican referendum. It follows that any major concessions from the government, with its claim to be champion of the whites, cannot at present be looked for.

Moreover, many people in South Africa regard the referendum not merely as a

(Continued on page 16)

UNION CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

Directors' Reports of Gold Mining Companies Incorporated in the Union of South Africa
for Quarter ended 30th June, 1960

London Office: Princes House, 95 Gresham Street, London, E.C.2

EAST GEDULD MINES, LTD.

ISSUED CAPITAL £1,800,000 STOCK IN UNITS OF 4s. EACH						
Tons Milled	397,000	Gold Produced (in oz. fine)	116,785			
		Yield per Ton Milled (dwt.)	5.88			
Working Revenue			£1,461,943	Per Ton Milled	73.8	
Working Costs			712,688	s. d.	35.11	
WORKING PROFIT			749,255		37.9	
Sundry Revenue, including Dividends, less Sundry Expenditure			43,722			
TOTAL PROFIT (subject to Taxation and Government's share)			£792,977			
Estimated Taxation and Government's share of profit			£394,300			
Capital Expenditure			Nil			
PAYABLE DEVELOPMENT						
DEVELOPMENT						
	Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/dwt.
Kimberley Reef	1,367	1,140	175	15	1.7	13.152
DIVIDEND: On 10th June, 1960, Dividend No. 57 of 1s. 8d. per unit of stock was declared payable to stockholders registered at 30th June, 1960. Dividend Warrants will be posted about 4th August, 1960.						

GEDULD PROPRIETARY MINES, LTD.

ISSUED CAPITAL £1,460,857 IN SHARES OF £1 EACH						
Tons Milled	217,000	Gold Produced (in oz. fine)	38,324			
		Yield per Ton Milled (dwt.)	3.53			
Working Revenue			£480,749	Per Ton Milled	44.4	
Working Costs			418,196	s. d.	38.7	
WORKING PROFIT			62,553		5.9	
Sundry Revenue, including Dividends, less Sundry Expenditure			311,128			
TOTAL PROFIT (subject to Taxation)			£373,681			
Estimated Taxation			£19,800			
Capital Expenditure			Nil			
PAYABLE DEVELOPMENT						
DEVELOPMENT						
	Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/dwt.
Black Reef	1,314	960	420	44	4.9	44.217
DIVIDEND: On 10th June, 1960, Dividend No. 91 of 3s. 4d. per share was declared payable to shareholders registered at 30th June, 1960. Dividend Warrants will be posted about 4th August, 1960.						

MARIEVALE CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £2,250,000 IN SHARES OF 10s. EACH						
Tons Milled	294,000	Gold Produced (in oz. fine)	71,976			
		Yield per Ton Milled (dwt.)	4.90			
Working Revenue			£902,148	Per Ton Milled	61.4	
Working Costs			524,356	s. d.	35.8	
WORKING PROFIT			377,792		25.8	
Sundry Revenue less Sundry Expenditure			5,192			
TOTAL PROFIT (subject to Taxation and Government's share)			£382,984			
Estimated Taxation and Government's share of profit			£186,200			
Capital Expenditure			Nil			
PAYABLE DEVELOPMENT						
DEVELOPMENT						
	Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/dwt.
Main Reef	1,385	1,045	330	32	24.8	12.297
Kimberley Reef	3,522	2,360	850	36	24.3	19.462
DIVIDEND: On 10th June, 1960, Dividend No. 40 of 1s. 6d. per share was declared payable to shareholders registered at 30th June, 1960. Dividend Warrants will be posted about 4th August, 1960.						

BRACKEN MINES, LTD.

ISSUED CAPITAL 14,000,000 SHARES OF 10s. EACH

NO. 1A SHAFT: Full scale sinking was commenced in April and at the end of the quarter the shaft had reached a depth of 1,126 feet, and 126 feet of station cutting had been completed.
NO. 1 SHAFT: The erection of the headgear and sinking equipment is practically complete. The winders have been commissioned and full scale sinking is expected to start shortly.
GENERAL: Good progress is being maintained in the provision of surface facilities. The shaft offices, change-houses and initial workshops are complete and in use.
The erection of the third compressor is proceeding satisfactorily.
EXPENDITURE: Expenditure on Shafts, Plant and Equipment and General Expenditure amounted to £512,841.

ST. HELENA GOLD MINES, LTD.

ISSUED CAPITAL £4,812,500 IN SHARES OF 10s. EACH

Tons Milled	492,000	Gold Produced (in oz. fine)	167,297			
		Yield per Ton Milled (dwt.)	6.80			
Working Revenue			£2,095,398	Per Ton Milled	85.2	
Working Costs			1,051,661	s. d.	42.9	
WORKING PROFIT			1,043,737		42.5	
Sundry Expenditure less Sundry Revenue			3,024			
TOTAL PROFIT (subject to Taxation and Government's share)			£1,040,713			
Estimated Taxation and Government's share of profit			Nil			
Capital Expenditure			£208,369			
PAYABLE DEVELOPMENT						
DEVELOPMENT						
	Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/dwt.
Basal Reef	21,081	6,730	3,730	55	20.2	34.688
The following station cutting was accomplished during the quarter:— No. 2 Shaft 318 feet; No. 7 Shaft 52 feet. No. 7 SHAFT was sunk 1,017 feet to its final depth of 5,338 feet below surface.						

VAN DYK CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £69,150 IN SHARES OF 3d. EACH

Tons Milled	220,000	Gold Produced (in oz. fine)	36,240			
		Yield per Ton Milled (dwt.)	3.30			
Working Revenue			£453,471	Per Ton Milled	41.3	
Working Costs			430,075	s. d.	39.1	
WORKING PROFIT			23,396		2.2	
Sundry Revenue less Sundry Expenditure			6,903			
TOTAL PROFIT (subject to Taxation and Government's share)			£30,299			
Estimated Taxation and Government's share of profit			£4,300			
Capital Expenditure			Nil			
PAYABLE DEVELOPMENT						
DEVELOPMENT						
	Footage driven	Footage sampled	Footage payable	Av. value dwt.	Width ins.	Inch/dwt.
Main reef—all shafts	2,627	2,040	1,170	57	8.9	27.240
No. 5 Shaft Area						
included above	549	350	230	66	18.9	24.432
Kimberley Reef	489	505	50	10	2.3	63.143
REDUCTION OF CAPITAL: A further return of capital amounting to 1s. 6d. per share will be paid to shareholders registered at 30th June, 1960. Cheques will be posted about 4th August, 1960.						

LESLIE GOLD MINES, LTD.

ISSUED CAPITAL 16,000,000 SHARES OF 10s. EACH

NO. 1A SHAFT: Full-scale sinking was commenced in April and at the end of the quarter the shaft had reached a depth of 927 feet. The intersection of water-bearing fissures has caused some delay.
NO. 1 SHAFT: Work on the erection of the headgear and permanent hoists is well advanced. Pre-orientation of the shaft site is complete and it is hoped to commence full-scale sinking in August.
GENERAL: Good progress is being maintained in the provision of surface facilities. The shaft offices, change-houses and initial workshops are complete and in use. The second 30 drill compressor has been commissioned and the erection of the 50 drill compressor is proceeding satisfactorily.
Work on the compound is up to schedule, but for the time being all Native labour is being housed at Bracken Mines, Limited.
EXPENDITURE: Expenditure on Shafts, Plant and Equipment and General Expenditure amounted to £466,803.

THE GROOTVLEI PROPRIETARY MINES, LTD.

ISSUED CAPITAL £2,859,704 STOCK IN UNITS OF 5s. EACH

Tons Milled	641,000	Gold Produced (in oz. fine)	133,232
	Yield per Ton Milled (dwt.)	4.16	
Working Revenue	£1,668,284	Per Ton Milled	s. d.
Working Costs	1,000,907		52 0
WORKING PROFIT	667,377		31 2
Sundry Revenue less Sundry Expenditure	12,270		20 10
TOTAL PROFIT (subject to Taxation and Government's share)	£679,647		
Estimated Taxation and Government's Share of profit	£339,600		
Capital Expenditure	Nil		
DEVELOPMENT	PAYABLE DEVELOPMENT		
	Footage driven	Footage sampled	Footage payable
Main Reef	5,162	4,050	2,400
Kimberley Reef	2,655	1,330	640
			48
			50.2
			6
			301

Av. value dwt. 22.6 ins. 11 Inch/ dwt. 249

DIVIDEND: On 10th June, 1960, Dividend No. 43 of 1s. 1d. per unit of stock was declared payable to stockholders registered at 30th June, 1960. Dividend Warrants will be posted about 4th August, 1960.

WINKELHAAK MINES, LTD.

ISSUED CAPITAL £6,000,000 IN SHARES OF 10s. EACH

Tons Milled	258,000	Gold Produced (in oz. fine)	£1,306
	Yield per Ton Milled (dwt.)	6.30	
Working Revenue	£1,019,232	Per Ton Milled	s. d.
Working Costs	630,268		79 0
WORKING PROFIT	388,964		48 10
Sundry Expenditure less Sundry Revenue	13,688		30 2
TOTAL PROFIT (subject to Taxation and Government's share)	£375,276		
Estimated Taxation and Government's share of profit	Nil		
Capital Expenditure	£119,256		
DEVELOPMENT	PAYABLE DEVELOPMENT		
	Footage driven	Footage sampled	Footage payable
Kimberley Reef	14,298	6,615	5,790
			88
			15.3
			37

Av. value dwt. 88 ins. 15.3 Inch/ dwt. 565

No. 2 SHAFT: Pre-cementation of the shaft area from a surface borehole has begun.

Discounts have been applied to development values to conform with adjustments which are necessary in estimating the ore reserves at the year end.

WITWATERSRAND NIGEL, LIMITED

(Incorporated in the Union of South Africa)

REPORT OF THE DIRECTORS
For the Quarter ended 30th June, 1960

PRODUCTION			
Tons milled	59,300		
Yield (in oz. fine)	13,209		
Yield per Ton Milled (dwts.)	4.455	Per Ton Milled	s. d.
Working Revenue	£165,245		55 9
Working Costs	151,901		*51 3
Working Profit	13,344		4 6
Add: Sundry Revenue	3,135		
NET PROFIT	£16,479		

(* 230s. 0d. per oz. fine)

CAPITAL EXPENDITURE

There was no Capital Expenditure during the Quarter.

DEVELOPMENT

Development Footage	5,708 feet
Footage on Reef	3,750 feet
Footage Sampled	3,705 feet

The payable reef disclosures were as follows:—
805 feet, or 22% averaging 12.84 dwts. per ton over a width of 19.92 inches, equivalent to 256 inch-dwts.
(No allowance has been made in the above results for adjustments necessary before calculation of the corresponding Ore Reserve.)

ORE RESERVE

The estimated Ore Reserve at 30th June, 1960, was 770,800 tons, averaging 4.7 dwts. per ton over a stoping width of 37 inches.

DIVIDEND

A Dividend (No. 6) of 5 per cent (1½d. per share) was declared on 13th June, 1960, payable on or about 4th August, 1960, to Shareholders registered in the books of the Company at the close of business on 30th June, 1960.

By Order of the Board,

E. A. O'CONNOR, London Secretary.

London Office: 120 Moorgate, London, E.C.2.
21st July, 1960.

SPAARWATER GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

REPORT OF THE DIRECTORS
For the Quarter ended 30th June, 1960

Tons milled	32,700		
Total yield ounces fine	10,191		
Total yield per ton (dwt.)	6.233	Per Ton Milled	s. d.
Working Revenue	£127,497		78 0
Cost of Mining and Milling	101,622		62 2
Excess of Revenue over Cost of Mining and Milling	25,875		15 10
Expenditure on Development	24,412		14 11
Working Profit	1,463		11
Expenditure on Capital Account	Nil		
Government Taxes	Nil		

DEVELOPMENT

The total footage advanced during the quarter amounted to 3,490 feet. The footage sampled amounted to 2,850 feet, of which 680 feet, equal to 23.9 per cent, proved payable to an average value of 6.9 dwt. per ton over an estimated stoping width of 42.1 inches equivalent to 290 inch-dwt.

Not included above is 147 feet of development advanced by The Sub Nigel Limited in the Spaarwater lease area under a tribute agreement with that Company. The footage sampled amounted to 100 feet, of which 45 feet, equal to 45.0 per cent, proved payable at an average value of 5.6 dwt. per ton over an estimated stoping width of 37.0 inches, equivalent to 207 inch-dwt.

Western Section of Mine—Development in the Western Section continued during the quarter. The footage sampled amounted to 2,175 feet, of which 440 feet, equal to 20.2 per cent, proved payable at an average value of 6.4 dwt. per ton over an estimated stoping width of 36.0 inches, equivalent to 230 inch-dwt.

In addition, 349 feet were advanced under prospecting permission in the area outside the western boundary of the mine. The footage sampled amounted to 245 feet, of which 35 feet, equal to 14.3 per cent proved payable at an average value of 4.8 dwt. per ton over an estimated stoping width of 46.1 inches, equivalent to 221 inch-dwt.

Development returns show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied.

By Order of the Board,

E. A. O'CONNOR, London Secretary.

London Office: 120, Moorgate, London, E.C.2.
12th July, 1960.

INVESTORS IN MINING

and other companies' shares need an up-to-date record of all current information issued by the companies in which they are interested; thus enabling them to watch over the progress of their existing shareholdings and to assess the possibilities of others.

MOODYS SERVICES LTD., provide statistical services giving all the information required

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MOODYS SERVICES LTD., King William St. House, London, E.C.4

vote on the Republican issue but also as in the nature of a general vote of confidence in Dr. Verwoerd.

Significantly, the date of the referendum is not to be decided until the Party conference in August and meanwhile such pointers as the resolutions of the Afro-Asian group at Addis Ababa, the disappointment over the new Rhodesian trade agreement, and the official Malayan boycott on South African imports cannot be adding to the attractions of going Republican at any rate at this juncture. Beyond this, it must not be overlooked that the Republican issue is an important unifying influence among the government supporters as long as it remains an issue. Conversely, once it has been resolved, it becomes that much easier for conflicting viewpoints within the party on other issues to be brought into the open.

All in all, the government will probably feel disinclined to risk alienating votes by liberalizing its racial policies before the referendum is out of the way or indeed once it is over to continue antagonizing foreign opinion needlessly by not doing. Thus, however dismal may be the immediate economic outlook for the Union, it is early days yet to take the government's present intransigence at its face value; and political realities suggest that it would be premature to attempt to judge the political course of the Union before the end of the year.

Meanwhile so long as there is reason still to hope for a realistic approach by the government to the Union's problems, the dispassionate and confident warnings from the leaders of all sections of the South African business community, coupled with an increasingly difficult export climate and the continued insistence by investors on placing South Africa's new gold mines on a 10 per cent eventual yield basis are far more effective reminders to the government of the urgency of the situation than can be any emotional expressions of world opinion which must tend only to confuse the hard economic facts of the situation and build up a psychological resistance to change of any sort.

Things Can Hardly Fail to Get Better

In whatever direction the government may eventually reorientate its policy, it is at any rate inconceivable that the changes should have a more adverse effect on the market than the present state of inaction and uncertainty, while if reason prevails, the changes when clearly embarked upon, are likely to lead to a substantial market revival. It must not be overlooked in this connection that intrinsically the state of the South African gold industry has seldom been healthier than it is today and, were it not for political uncertainties, there is no reason why prices should not be standing near, albeit somewhat below, the high levels of the beginning of this year. (It must not be forgotten that the price rise of 1959 had, by the beginning of this year, been somewhat overdone.)

As matters stand, however, the investor must, at present reconcile himself to the new producing mines continuing to be valued on an eventual yield basis of 10 per cent. It may well be that over the next few months we shall see several sharp but short-lived rallies since, if we are right in thinking that the post-crisis shake-out in Kaffirs is now completed, prices can, with so little stock about, rise sharply in response to temporary psychological boosts such as the announcement of a progressive lifting of the state of emergency or an isolated but influential piece of favourable Press comment, both of which appear to have

contributed to the rally at the end of June. The behaviour of the market in the following week emphasized, however, that such market revivals can hardly be sustained in the absence of a more fundamental basis for confidence, both within the Union and elsewhere in Africa.

What Gold Mining Means to the Union

Inevitably and despite any public statements to the contrary, South Africa's gold industry must bulk large in any re-orientation of government policy. Despite the steady and continuing growth of secondary industries and other commercial activities, gold mining still remains the principal prop of the economy, not only as far and away the largest source of export revenue (gold and uranium together earned £292,000,000 in 1959 out of exports totalling £632,000,000) and as the main fount of dividends (£45,000,000) and of taxes (£27,000,000) and rising sharply but equally as the principal source of private employment, both directly on the mines and indirectly as the principal buyer in South Africa. Indeed the growth of secondary industry in South Africa has largely been made possible in the first instance by the increasing extent to which the mines have been channelling their purchases into the home market so that today more than 80% of the industry's purchases of machinery and equipment, and no doubt a higher proportion of consumable goods, are obtained from within the Union.

It is worth pausing to consider the industry's financial performance since World War II if only to emphasize that, in terms of economic policy, no South African government has any alternative but to foster so valuable an asset.

Up to the end of World War II, total investment of new money from outside the industry amounted to about £240,000,000 while the industry itself found a further £75,000,000 from within its own resources. In the fifteen odd years since the end of the war a further £370,000,000 has been invested from outside the industry and the industry itself has found a further £160,000,000.

Largely in consequence of this postwar investment, working profit from gold (before tax, dividends, capital expenditure or loan capital interest and repayments), which amounted in 1948 (the year before the most recent increase in the sterling price of gold) to £23,800,000, had risen by 1959 to £86,100,000 to which uranium profits (nil in 1948) added in 1959 about £20,000,000 after C.D.A. loan repayments. With a number of the newer mines still to reach their peak production, these working profit figures will, of course, go higher yet even allowing for the tailing off of uranium earnings, which in fact, provided there is no modification to the present uranium contracts, are likely to remain at around the present level, at any rate for another three or four years.

Two points stand out from the foregoing figures. First, so far as concerns the national economic interest, the industry's gold and uranium output and profits must at all costs be sustained at present levels and if possible improved upon. To achieve this, capital will need to continue to flow into the industry, and for this to happen, the investor—in the Union no less than overseas—must have confidence in the policies of the government.

A Good Earnings Record

Second, as concerns the investor, the industry, despite the higher wage and price

levels which it has had to absorb for its labour and virtually all its items of equipment, has contrived to show an attractive return on the new capital employed since the war, especially when it is remembered that the increase in working profit for the whole industry of some £75,000,000 between 1948 and 1959 masks a period of considerable decrease in profits from the older mines.

Thus, even allowing for the fact that taxation will eventually be taking around 60 per cent of the profits of the new mines (once initial capital expenditure has been written off), it is clear that the industry continues to be well able to pay an attractive return on new capital invested. That this has been so in a period of general and substantial inflation is a considerable tribute to the rising technical efficiency of the industry within the limitations imposed by a migratory labour force. It is true that cost per ton for the industry as a whole rose from 26/2d. in 1948 to 45/4d in 1959, but this is misleading because of the intrinsically higher working costs in the Far West Rand and O.F.S. fields which have been contributing a progressively larger proportion of the total tonnage, while costs on the older mines must in any case tend to increase at greater depths.

Nevertheless failing any increase in the gold price, the industry has probably yet to face a testing time in the matter of costs as higher African wages, which at present account for between 15 and 25% of working costs, seem an unavoidable concomitant of any new deal for the African. As we pointed out here in the previous issue of this Supplement, there is a definite limit to the time and money which can usefully be spent on a short service migratory labour force, either for up-grading to better jobs or learning new and more efficient ways of doing the existing job. Consequently, so long as the migratory labour system persists, higher wages can in the main only be offset by ever higher efficiencies in man management and cost control and beyond that in higher milling rates.

Exploration Must Go On—

Aside from the erosive effect of rising costs on ore reserves, the problem of maintaining, if not advancing, gold output in the longer term is of course primarily bound up with the success of further exploration. Within a few years the great majority of the mines, which had come to production by the mid-fifties, will have reached peak production. Thereafter the growing production, which may be looked for from mines which have been developed since that date, can at best be expected to offset losses from the exhaustion of old producers. Thus, failing the opening up of further new mines, and assuming no rise in the gold price, peak output from the industry on the basis of existing flotations may well not be much more than two or three million ounces above last year's total of 20,000,000 ozs. If this level of output is to be exceeded, or even in the long term maintained, new mines must be found and financed.

—So Taxation Must Not Rise

Despite intensive exploration in the past year or two, the many annual reports of the finance houses recently published make it clear that these efforts have so far met with scant success. Moreover, as the tempo of exploration, no less than the problems of financing new mines, is affected by the

(Continued on page 17)

profitability of mining after allowing for taxation, the government would be short-sighted to resort to any increase, tempting as it may be, in the already relatively penal taxation of gold mines as a means of meeting its own growing budgetary requirements.

In any case, the government is in the position of being able to look forward to a steady and material increase in revenue from gold tax. During the fiscal year ended June 30, 1960, the five new mines already subject to taxation paid an additional amount of over £12,000,000 in tax as compared with the previous year. Their contribution to the State's revenues will continue to rise for several years due to expansion and to the effects of declining capital expenditure which ranks as a cost for tax purposes. Within the next twelve months such mines as Free State Geduld, St. Helena and Doornfontein will also become liable to tax at an annual combined rate of not less than £6,000,000—and more later. About a year later Harmony, Buffels and Vaal Reefs will incur tax liability.

With this rapid rise in the government's revenue from the gold industry, there had been hopes, until the recent crises, that the rate of tax might have been eased within a year or so. Now the best that anyone can foresee is that the rate will remain unchanged while the total of the contribution to the exchequer rises.

As we observed at the beginning of this article, it is inevitable that, whatever future racial policies may be, very large sums of money will have to be spent on African advancement. Thus, unless capital can be attracted into the Union, the gold mining industry seems destined to continue to be taxed to the limits of prudence. Just where these limits are deemed to lie is, of course, a matter of considerable importance, and it is hardly surprising that Dr. Busschau, in his recent presidential address to the Chamber of Mines, should have drawn attention to the unwisdom of the state continuing to tax the profits of gold mining companies at a rate considerably higher than that imposed on other sectors of the industry.

The Mines in Current Production

The native labour supply remains exceptionally good, with June near to the record figure for June of last year.

We give on this page a tabulation of prices, dividends and yields for all the producing mines arranged in five categories.

- (1) dividend payers among the new mines.
- (2) non-dividend payers among the new mines.
- (3) old gold/uranium producers.
- (4) old mines which must now be largely valued on break-up considerations.
- (5) other older mines.

In considering price movements this year it should be borne in mind that the market staged a rally at the end of April so that the end-April prices given in the table are not necessarily the lowest recorded during that month.

On the basis of mid-July prices if Welkom and Libanon (which may continue to pay only nominal dividends for some time) are excluded, and allowance is made for likely improvements in dividends from St. Helena, West Driefontein and Western Holdings, and for possible reductions from Harties and Doornfontein, the average

PRICE MOVEMENTS 1959-60

(Excluding mines returning capital)

	Price				Dividends		Gross Yield
	End Dec. '58	End Dec. '59	End April '60	Mid-July '60	1958-59	1959-60	July '60
1. NEW MINES—DIVIDEND PAYERS							
Blyvooruitzicht	24/10½	31/6	24/9	25/-	2/1	2/5*	9.5
Buffelsfontein	47/6	51/3	37/9	39/-	3/-	3/7½	9.2
Doornfontein	32/3	35/6	30/3	28/-	3/-	3/½†	10.5
Free State Geduld	115/-	190/-	125/-	112/6	6/6	8/-	7.0
Harmony	38/10½	39/6	29/6	27/-	2/1½	2/6	9.1
Hartebeestfontein	68/3	61/3	49/6	43/-	7/-	6/½†	13.8
Libanon	9/7½	18/8	13/3	12/1½	7	8	5.3
President Brand	67/-	78/-	55/10½	58/-	5/-	5/6	9.4
President Steyn	31/3	30/3	22/4½	20/6	2/6	2/3†	10.7
St. Helena	49/9	81/6	65/10½	62/6	2/4	4/½*	6.3
Stilfontein	47/3	41/-	31/3	29/6	3/9	3/1½†	10.4
Vaal Reefs	42/-	50/9	44/4½	38/9	3/6	3/6	8.9
Welkom	20/6	22/6	15/3	13/6	6	6	3.6
West Driefontein a	60/7½	105/-	81/7½	77/9	4/1½	5/½*	6.2
Western Holdings	119/6	170/-	123/9	111/3	7/6	9/½*	8.0
Western Reefs	29/3	34/-	26/-	25/-	2/6	2/6	9.8
2. NEW MINES—NON-DIVIDEND PAYERS							
Bracken	—	28/6	24/6	22/6	—	—	—
Freddies Cons.	2/9	2/9	1/9	1/9	—	—	—
F. S. Saaiplaas	17/-	21/-	14/-	10/-	—	—	—
Leslie	—	20/4½	16/6	13/3	—	—	—
Loraine	28/-	39/3	27/6	24/6	—	—	—
Merriespruit	6/-	2/4	2/-	1/8	—	—	—
Virginia	8/10½	5/4	3/10½	3/3	—	—	—
Western Area	—	18/11	14/3	13/-	—	—	—
Western Deep	—	54/6	40/-xr	36/3	—	—	—
Winkelhaak	20/7½	25/-	21/3	19/6	—	—	—
Zandpan	—	18/-	15/6	13/9	—	—	—
3. OLD GOLD/URANIUM							
Daggafontein	35/-	27/3	20/3	17/3	4/9	4/3	23.9
East Champ	1/10½	2/-	1/10½	2/-	6	6	22.2
Luipaards Vlei	10/6	9/-	7/6	6/10½	2/-	2/-	28.1
Randfontein	27/3	22/3	17/9	15/9	4/-	3/6	21.5
West Rand Cons.	28/-	23/6	18/-	16/9	4/3	4/3	24.6
4. OLD MINES VALUES LARGELY ON BREAK-UP							
City Deep	17/-	23/6	14/6	13/6	1/3	1/3	8.9
Cons. Main Reef	19/6	20/9	14/-	13/-	3/-	2/9	20.4
Crown Mines	28/3	31/-	21/3	21/-	3/6	4/-	18.6
Modderfontein E.	13/-	16/9	12/-	11/-	1/-	1/-	8.7
New Kleinfontein	4/1½	5/3	3/9	3/3	—	—	—
5. OTHER OLD MINES							
Durban Deep	34/-	42/6	26/3	24/6	3/-	3/-	11.7
East Daggafontein	9/3	11/3	8/4½	8/-	1/3	1/3	15.1
East Geduld	26/3	26/9	19/6	15/10½	3/8	3/7	21.7
East Rand Prop.	46/3	43/6	32/6	26/3	3/9	3/6†	13.1
Geduld Prop.	67/-	83/-	52/6	49/4½	11/-	8/4	16.3
Grootvlei	18/9	26/3	19/9	17/3	2/4	2/6	14.1
Marievale	25/6	31/3	25/6	23/9	2/9	3/1	12.7
S. A. Land	23/-	16/6	13/3	11/9	2/9	1/-	8.1
Spaarwater	1/2	1/2	10	10	—	—	—
Venterspost	16/6	23/9	19/-	18/9	1/9	1/10½*	9.7
Vlakfontein	18/9	22/6	17/6	15/6	1/11	1/11	12.0
Wit Nigel	1/4½	1/5	1/-	1/-	1½	1½	11.1

* Likely to be higher over next twelve months. † Likely to be lower over next twelve months. a adjusted for scrip issue. Mid-July '60 prices are xd for June dividend payers.

(Continued on page 19)

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED GROUP

MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 30th June, 1960 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER.

(All Companies mentioned are incorporated in the Union of South Africa)

GENERAL REMARKS—The development values are the actual results of the sampling of development work on reef; no allowance has been made for modifications which may be necessary when computing ore reserves.

FREDDIES CONSOLIDATED MINES, LIMITED

ISSUED CAPITAL	£16,359,913	
(Divided into 16,359,913 shares of £1 each, fully paid)		
	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATIONS		
Gold:		
Tons milled	180,000	173,000
Gold Produced—ounces fine	40,035	39,410
Yield per ton milled—dwts.	4.45	4.56
Cost per ton milled	70s. 9d.	73s. 7d.
Uranium—O.F.S. Joint Production Scheme:		
Tonnage apportioned to this Company	178,081	170,649
Production apportioned—lbs.	51,895	49,212
Yield per ton on lbs. apportioned	.291	.288
Sales of Uranium Oxide—lbs.	51,895	49,212
RESULTS OF OPERATIONS		
Revenue from Gold and Sundry Revenue	£512,694	£505,386
Less: Working Costs	637,034	636,350
LOSS ON GOLD MINING	£124,340	£130,964
Uranium—Revenue from Uranium sold (subject to future adjustment)	£213,872	£210,257
Less: Share of Joint Treatment Charges apportioned to this Company from the O.F.S. Joint Production Scheme for the quarter	93,786	86,655
	£120,086	£123,602
LOSS	£4,254	£7,362
Add: Contribution towards capital cost of O.F.S. Joint Production Scheme	31,086	31,602
TOTAL OPERATING LOSS FOR QUARTER	£35,340	£38,964
Add:	This Quarter	Last Quarter
Interest payable on amounts advanced to the Company by the National Finance Corporation of South Africa and certain Building Societies	£11,881	£11,926
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	1,965	1,179
Capital Expenditure	Nil	Nil
	13,846	13,105
EXCESS OF EXPENDITURE OVER INCOME FOR QUARTER	£49,186	£52,069
DEVELOPMENT		
Total Development—feet	11,339	11,868
Sampled:		
Feet	2,600	990
Value—gold—dwts.	43.1	41.8
Value—uranium—lbs.	2.9	2.6
Width—inches	6.1	6.1
Inch-dwts.—gold	263	255
Inch-lbs.—uranium	18	16
Payable:		
Feet	*1,480	*460
Percentage	57	46
Value—gold—dwts.	55.4	52.8
Value—uranium—lbs.	3.4	2.9
Width—inches	6.1	6.3
Inch-dwts.—gold	338	333
Inch-lbs.—uranium	21	18
* Payability is based on the combined Gold and Uranium content.		

URANIUM OXIDE SALES QUOTA

The Atomic Energy Board has allocated to the O.F.S. Joint Production Scheme in which this Company is an active participant a sales quota of 1,155,260 lbs. of uranium oxide for the year ending 31st December, 1960.

GOVERNMENT GOLD MINING AREAS (Modderfontein) CONSOLIDATED LIMITED

ISSUED CAPITAL	£70,000	
(Divided into 5,600,000 shares of 3d. each, fully paid)		
	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATIONS		
Tons milled	158,000	159,000
Gold recovered from current milling—ounces fine	27,007	26,726
Recovery per ton—dwts.	3.419	3.362
Gold recovered from old residues—ounces fine	5,542	5,560
RESULTS OF OPERATIONS		
Revenue from Gold, Silver and Osmiridium, including revenue from sales of gold derived from the treatment of old residues	£406,314	£403,483
Rents and Sundry Revenue	9,502	8,128
Revenue from Sales of Salvaged Plant and Equipment	6,506	7,379
	£422,322	£418,990
Less: Working Costs	419,767	415,216

THE EAST CHAMP D'OR GOLD MINING COMPANY LIMITED

ISSUED CAPITAL	£259,875	
(Divided into 2,079,000 shares of 2s. 6d. each, fully paid)		
	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATIONS		
Tons milled	37,500	36,000
Cost per ton milled	52s. 1d.	52s. 5d.
Uranium Oxide produced—lbs.	27,654	28,596
Uranium Oxide sold—lbs.	27,654	28,596
Yield per ton milled—lbs.	.737	.794
Gold produced—ounces fine	998	872
Yield per ton milled—dwts.	.532	.484
RESULTS OF OPERATIONS		
Uranium Division		
Revenue from Uranium Oxide sold, subject to future adjustment	£143,489	£143,055
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore), Treatment Costs and Rental Charges	118,409	118,017
	£25,080	£25,038
Gold Division		
Profit from the milling of 4,300 (last quarter, 4,500) tons arising from reclamation operations on the Main Reef series	854	701
TOTAL OPERATING PROFIT FOR QUARTER	£25,934	£25,739
Less:	This Quarter	Last Quarter
Estimated Taxation	£8,000	£8,400
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	869	891
Provision for interest on and repayment of Uranium Loans	3,905	3,905
Capital Expenditure	Nil	Nil
	12,774	13,196
BALANCE OF PROFIT FOR QUARTER	£13,160	£12,543
URANIUM LOANS		
Balance of Loans outstanding at end of Quarter	£64,126	£67,368
DEVELOPMENT		
Development—feet	2,534	2,538
Sampled:		
Feet	1,750	1,835
Value—uranium—lbs.	2.0	1.4
Value—gold—dwts.	1.6	1.2
Width—inches	16	19
Inch-lbs.—uranium	32	27
Inch-dwts.—gold	26	23
Payable:		
Feet	*695	*420
Percentage	40	23
Value—uranium—lbs.	2.9	3.3
Value—gold—dwts.	2.4	3.1
Width—inches	16	13
Inch-lbs.—uranium	46	43
Inch-dwts.—gold	38	40
* Payability is based on the combined Gold and Uranium content.		

URANIUM OXIDE SALES QUOTA

The Atomic Energy Board has allocated to the Joint Production Scheme in which this Company and The Randfontein Estates Gold Mining Company, Witwatersrand, Limited, participate a sales quota of 1,943,200 lbs. of uranium oxide for the year ending 31st December, 1960 (1959—1,955,220 lbs.).

Net Revenues from Gold Mining, Treatment of old residues and Salvage Operations and Sundry Revenue	£2,555	£3,774
Net Revenue from Pyrite	79,480	79,526
TOTAL PROFIT FOR QUARTER	£82,035	£83,300
Less:	This Quarter	Last Quarter
Estimated Taxation and Government Share of Profits	£13,600	£13,800
Provision for Interest on and repayment of Pyrite Loans	10,350	10,350
Capital Expenditure	Nil	Nil
	23,950	24,150
BALANCE OF PROFIT FOR QUARTER	£58,085	£59,150
PYRITE LOANS		
Balance of Loans outstanding at end of quarter	£161,268	£169,943
DEVELOPMENT		
Total Development—feet	Nil	Nil

WESTERN AREAS GOLD MINING COMPANY LIMITED

AUTHORISED AND ISSUED CAPITAL...£8,270,000.00
PAID UP CAPITAL...£4,890,847.50
(Divided into 7,528,926 units of stock of 10s. each, fully paid, and 9,011,074 shares of 10s. each, 2s. 6d. per share paid)

SHAFT SINKING AND EQUIPPING

Shaft Sinking

Shaft	Shaft Sinking		Concrete Lining		Estimated depth of Shaft on completion Feet
	Advance for Quarter Feet	Depth at 30/6/60 Feet	Advance for Quarter Feet	Depth at 30/6/60 Feet	
Main Shaft ...	1,873	2,229	1,860	2,175	4,850
Ventilation Shaft	1,436	3,033	1,440	2,985	3,500
Total	3,309		3,300		

Main Shaft

The shaft was sunk 1,873 feet to a depth of 2,229 feet. At elevations of 960 feet and 1,920 feet below collar, two temporary pump stations and cable pockets were cut and fully equipped. Shaft sinking was not unduly retarded by the intersection of water bearing fissures.

Ventilation Shaft

The shaft was sunk 1,436 feet to a depth of 3,033 feet. At an elevation of 2,665 feet below the collar, the shaft passed out of the dolomite into the lava. At 1,920 feet and 2,880 feet below the collar, two temporary pumps station and cable pockets were cut and fully equipped.

In addition, a cross-cut was developed for 49 feet from the latter pump station towards the Ventilation duct position. Shaft sinking was not unduly retarded by the intersection of water bearing fissures.

A further station is to be cut at an elevation of 3,120 feet before the shaft passes out of the lavas into the Ventersdorp Contact Reef horizon.

European Housing

Eighteen houses for the use of European employees were completed in Westonaria Township.

Non-European Accommodation

The construction of compound buildings sufficient to provide non-European accommodation for the initial development and stoping periods is progressing satisfactorily.

Mine Services

The permanent roads, reservoir and sewerage disposal works, were completed and work is progressing favourably on the commissioning of the E.S.C. sub-station, the building of the main compressor station and cooling ponds.

EXPENDITURE

Capital Expenditure during the quarter amounted to £768,000 bringing the total capital expenditure to 30th June, 1960, to £4,096,000, which sum includes expenditure incurred in establishing the mine as well as the cost of the Mining Lease, Freehold Property, Mineral Rights, Prospecting Expenditure, Preliminary and Share Issue Expenses.

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

ISSUED CAPITAL...£4,063,553
(Divided into 4,063,553 shares of £1 each, fully paid)

OPERATIONS

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
Gold Division		
Tons milled	73,000	67,000
Gold Produced—ounces	14,477	12,667
Yield per ton milled—dwts.	3,966	3,781
Cost per ounce	242s. 5d.	239s. 7d.
Revenue per ton milled	50s. 8d.	48s. 1d.
Cost per ton milled	48s. 1d.	45s. 4d.
Profit per ton milled	2s. 7d.	2s. 9d.
Revenue from Gold and Sundry Revenue	£184,796	£161,049
Less: Working Costs	175,484	151,755

OPERATING PROFIT

THE RANDFONTEIN ESTATES GOLD MINING CO., WITWATERSRAND, LIMITED—continued

Uranium Division

Tons milled	460,000	479,000
Cost per ton milled	80s. 11d.	79s. 11d.
Uranium Oxide produced—lbs.	456,996	469,756
Yield per ton milled—lb. ....	.993	.981
Uranium Oxide sold—lbs.	457,344	477,548
Gold produced—ounces fine	24,174	24,359
Yield per ton milled—dwts.	1.051	1.017
Revenue from Uranium Oxide sold, subject to future adjustment	£2,285,237	£2,402,283
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore) and Treatment Costs attributable to Uranium Oxide sold	1,805,115	1,915,507
Profit on Uranium Oxide sold	£480,122	£486,776
Net Revenue from Acid sold	58,339	58,461

OPERATING PROFIT

RESULTS OF OPERATIONS

Combined Operating Profit for quarter—Gold and Uranium Divisions

	This Quarter	Last Quarter
Less: Estimated Taxation	£152,000	£157,000
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	14,401	14,819
Provision for interest on and repayment of Uranium Loans	215,086	215,086
Capital Expenditure	7,370	Nil
	388,857	386,905

BALANCE OF PROFIT FOR QUARTER

URANIUM LOANS
Balance of Loans outstanding at end of Quarter

DEVELOPMENT
Total Development—feet

Gold Division		
Development—feet	1,241	875
Sampled—feet	645	360
Payable—feet	395	260
Percentage payable	61	72
Value—dwts.	9.3	7.6
Width—inches	41	45
Inch-dwts.	381	342
Uranium Division—Bird Reef Series		
Development—feet	29,875	34,518
Sampled:		
Feet	3,950	4,145
Value—uranium—lbs.	2.0	1.8
Value—gold—dwts.	2.9	2.0
Width—inches	23	26
Inch-lbs.—uranium	46	47
Inch-dwts.—gold	67	52
Payable:		
Feet	*1,395	*1,385
Percentage	35	33
Value—uranium—lbs.	3.5	3.2
Value—gold—dwts.	5.6	4.6
Width—inches	21	23
Inch-lbs.—uranium	74	74
Inch-dwts.—gold	118	106

* In the case of the Uranium Division payability is based on the combined Gold and Uranium content.

URANIUM OXIDE SALES QUOTA

The Atomic Energy Board has allocated to the Joint Production Scheme in which this Company and The East Champ d'Or Gold Mining Company Limited participate a sales quota of 1,943,200 lbs. of uranium oxide for the year ending 31st December, 1960 (1959—1,955,220 lbs.).

yield on the leading shares in category (1) over the next twelve months may be estimated at about 8½%; while this investment "in the list" should ultimately offer an average yield of about 10%. It is for this reason we that suggest that the leading shares are presently being valued on the expectation of an ultimate return of about 10% at present prices.

To the high tax payers amongst British investors Harties, Brands, Stils, West Dries and Western Holdings, which are already paying high tax, of course now also offer D.T.R. advantages.

Failing further unexpected developments, these new mines seem to be satisfactory investments on the basis of these yield expectations, quite aside from the prospect of capital appreciation which can be expected to follow upon any resolute and constructive approach by the government to South Africa's racial problems.

The yields offered by the older mines have, of course, also risen on political considerations.

Apart, perhaps, from speculators on the gold price, those with large investments in the medium life mines in group (5) (which are mostly medium to low grade), might do well to consider the present attractions of some of the better new mines. Until recently current yields in group (1) were not such as to attract investors who had come to rely on income from the older mines. Sooner or later, however, such investors are bound to have to switch to younger producers in order to maintain income and now may well be a good moment to do it.

The exceptionally high yields offering on the old uranium producers in group (3) are, of course, due to the limited duration placed on uranium profits by the contracts.

Uncertainty Surrounding Break-up Values

It is, however, the mines in or near the break-up category where valuation at present tends to be accompanied by the greatest uncertainty. This arises from the fact that many of the old mines have what are potentially very valuable freehold rights, the precise worth of which cannot however be determined so long as doubt remains as to future government policy concerning both the location of industry and the application of the Group Areas Act.

If the government's Bantustan programme is to be taken at its face value, there is to be a substantial redeployment of industry around the borders of the native reserves under the so-called Perimeter Development programme. If this inherently uneconomic operation is to be

(Continued on page 23)

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED

GOLD MINING COMPANIES' DIRECTORS' ABRIDGED REPORTS FOR THE QUARTER ENDED 30th JUNE, 1960

(All Companies mentioned are incorporated in the Union of South Africa)

NOTES

The development values in all these Companies' Reports represent actual results of sampling, no allowance having been made for adjustments which are necessary in estimating ore reserves.

Copies of the complete quarterly reports of any company may be had on application to the London Secretaries, 40 Holborn Viaduct, E.C.1.

DAGGAFONTEIN MINES, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	699,000	693,000
Ounces fine	141,546	139,458
Yield per ton—dwt.	31s. 4.05	30s. 4.02
Cost per ton milled	19s. 7d.	19s. 9d.
Profit per ton milled		
Uranium		
Uranium oxide produced—lb.	138,464	144,010
Yield per ton treated—lb.	0.371	0.352
WORKING RESULTS		
Gold—Working profit	£683,934	£684,009
Uranium (estimated)—		
Treatment costs	£215,480	£232,316
Working profit	£382,920	£371,507
Sulphuric Acid—Working profit	£47,511	£47,083
Total Working Profit	£1,114,365	£1,102,599
FINANCIAL		
Taxation and State's share of profits—estimated	£617,573	£610,276
Uranium Loan Repayments (including interest)	£140,775	£140,776
Capital expenditure	£1,394	£4,651
DEVELOPMENT		
Main Reef Leader		
Footage driven	4,426	4,322
Feet sampled	3,625	3,915
Feet payable	1,735	1,615
Percentage payability	47.9	41.3
Average gold value—dwt. per ton	19.63	17.88
Width—inches	18.07	14.29
Equivalent inch-dwt.	355	256
Kimberley Reef		
Footage driven	3,418	3,008
Feet sampled	2,845	2,715
Feet payable	960	1,115
Percentage payability	33.7	41.1
Average gold value—dwt. per ton	18.66	10.47
Average uranium oxide value—lb. per ton	1.06	0.41
Width—inches	30.84	36.44
Equivalent inch-dwt.	575	382
Equivalent inch-lb.	32.58	14.82
URANIUM OXIDE SALES QUOTA		
The Atomic Energy Board has allocated to the Company a sales quota of 568,760 lb. of uranium oxide for the year ending 31st December, 1960.		

PRESIDENT STEYN GOLD MINING COMPANY, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	310,000	297,000
Ounces fine	118,140	115,830
Yield per ton—dwt.	7.62	7.80
Cost per ton milled	61s. 4d.	63s. 6d.
Profit per ton milled	34s. 1d.	34s. 3d.
Uranium (Joint Production Scheme)		
Lb. apportioned	72,563	71,689
Yield per ton on lb. apportioned	0.247	0.251
WORKING RESULTS		
Gold—Working profit	£527,860	£508,334
Uranium (estimated):		
Treatment costs	£144,005	£145,234
Working profit	£186,900	£185,820
Total Working Profit	£714,760	£694,154
The estimated total working profit for the nine months ended 30th June, 1960, was £2,166,739.		

PRESIDENT STEYN GOLD MINING COMPANY, LIMITED—Continued

FINANCIAL

No taxation and no share of profit are as yet payable to the State.

Capital expenditure: gold and uranium including contributions towards capital cost of Welkom Gold Mining Company uranium plant less recoupments	£588,831	£610,539
Interest charges (excluding interest on uranium loans)	£39,624	£37,859
Uranium loan repayments (including interest)	£122,887	£122,887

DEVELOPMENT

Total footage driven	16,637	15,694
Basal Reef		
Feet Sampled	2,795	3,510
Feet Payable (Gold)	2,530	3,145
Percentage Payability (Gold)	90.5	89.6
Average gold value—dwt. per ton	22.28	25.83
Average uranium oxide value—lb. per ton	0.64	0.87
Width—inches	20.49	17.32
Equivalent inch-dwt.	457	447
Equivalent inch-lb.	13.11	15.05
Leader Reef		
Feet Sampled	600	140
Feet Payable (Gold)	15	15
Percentage Payability (Gold)	2.5	10.7
Average gold value—dwt. per ton	5.15	4.18
Average uranium oxide value—lb. per ton	0.76	0.54
Width—inches	43.00	59.67
Equivalent inch-dwt.	221	249
Equivalent inch-lb.	32.72	32.04

SHAFT SINKING

No. 3 Main Shaft

No. 3 Ventilation Shaft

Footage sunk in quarter was 857 feet, the depth to date being 4,411 feet.

URANIUM OXIDE SALES QUOTA

The Atomic Energy Board has allocated to the Orange Free State Joint Uranium Production Scheme, in which this Company is an active participant, a sales quota of 1,155,260 lb. of uranium oxide for the twelve months ending 31st December, 1960.

EAST DAGGAFONTEIN MINES, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	319,000	311,000
Ounces fine	54,232	52,582
Yield per ton—dwt.	3.40	3.38
Cost per ton milled	34s. 9d.	34s. 9d.
Profit per ton milled	7s. 9d.	7s. 7d.
Working profit	£124,051	£118,341
FINANCIAL		
Taxation—estimated	£46,535	£49,171
Capital Expenditure	£486	—
DEVELOPMENT		
Main Reef Leader		
Footage driven	1,464	1,472
Feet sampled	1,370	1,480
Feet payable	700	550
Percentage payability	51.1	37.2
Average value—dwt. per ton	17.83	16.69
Width—inches	19.31	19.85
Equivalent inch-dwt.	344	331
Kimberley Reef		
Footage driven	4,737	4,764
Feet sampled	2,610	3,210
Feet payable	320	640
Percentage payability	12.3	19.9
Average value—dwt. per ton	89.79	70.74
Width—inches	4.83	4.41
Equivalent inch-dwt.	434	312

WESTERN REEFS EXPLORATION AND DEVELOPMENT COMPANY, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	436,000	400,500
Ounces fine	123,171	112,472
Yield per ton—dwt.	5.65	5.62
Cost per ton milled	51s. 4d.	52s. 3d.
Profit per ton milled	19s. 4d.	18s. 2d.
Uranium		
Uranium oxide produced—lb.	169,067	161,288
Yield per ton treated—lb.	0.336	0.334
WORKING RESULTS		
Gold—Working profit	£421,839	£364,505
Uranium (estimated)		
Treatment costs	£276,207	£284,171
Working profit	£440,187	£440,988
Sulphuric acid		
Working profit	£49,333	£47,170
Total Working Profit	£911,359	£852,663
FINANCIAL		
Taxation and State's share of profits—estimated	£400,000	£350,000
Uranium loan repayments (including interest)	£169,182	(Adj.) £169,182
Capital expenditure	£77,330	£114,092
DEVELOPMENT		
Mining Lease Area (including Goedgenoeg area over which the Minister of Mines has agreed to grant a lease).		
(a) Ventersdorp Contact and Elsburg Reefs:		
Footage driven	4,102	3,231
Feet sampled	2,075	2,315
Feet payable	1,115	895
Percentage payability	53.7	38.7
Average gold value—dwt. per ton	10.12	15.42
Average uranium oxide value—lb. per ton	0.31	0.38
Width—inches	56.45	42.33
Equivalent inch-dwt.	571	653
Equivalent inch-lb.	17.40	15.95
(b) Vaal Reef:		
Footage driven	11,670	10,581
Feet sampled	4,170	3,835
Feet payable	3,055	2,715
Percentage payability	73.3	70.8
Average gold value—dwt. per ton	60.40	52.91
Average uranium oxide value—lb. per ton	3.93	3.31
Width—inches	10.44	10.83
Equivalent inch-dwt.	631	573
Equivalent inch-lb.	41.04	35.89
Outside Mining Lease Area (Results of development on Ventersdorp Contact and Elsburg Reefs on the Farm Nooitgedacht No. 434)		
Footage driven	10,482	12,602
Feet sampled	5,260	4,575
Feet payable	2,910	2,760
Percentage payability	55.3	60.3
Average gold value—dwt. per ton	13.11	15.36
Average uranium oxide value—lb. per ton	0.31	0.38
Width—inches	45.78	47.64
Equivalent inch-dwt.	600	732
Equivalent inch-lb.	14.13	18.10

URANIUM OXIDE SALES QUOTA

The Atomic Energy Board has allocated to the company a sales quota of 673,400 lb. of uranium oxide for the year ending 31st December, 1960

THE SOUTH AFRICAN LAND AND EXPLORATION COMPANY, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	293,000	283,500
Ounces fine	60,801	59,029
Yield per ton—dwt.	4.15	4.16
Cost per ton milled	42s. 10d.	43s. 3d.
Profit per ton milled	9s. 1d.	8s. 10d.
Working profit	£132,581	£125,233
FINANCIAL		
Taxation and State's share of profits—estimated	£243,998	£148,882
DEVELOPMENT		
Mining Lease Area		
Footage driven	12,845	11,913
Feet sampled	5,605	4,375
Feet payable	1,800	1,595
Percentage payability	32.1	36.5
Average value—dwt. per ton	16.80	13.21
Width—inches	30.16	30.79
Equivalent inch-dwt.	507	407
Outside Mining Lease Area (Withok No. 131 I.R.)		
Footage driven	5,662	4,350
Feet sampled	3,250	3,085
Feet payable	1,125	940
Percentage payability	34.6	30.5
Average value—dwt. per ton	16.76	17.37
Width—inches	26.15	23.93
Equivalent inch-dwt.	438	416
No. 3 SHAFT		
During the quarter No. 3A shaft was sunk 1,390 feet to a depth of 1,897 feet below the collar.		

PRESIDENT BRAND GOLD MINING COMPANY, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	356,000	340,000
Ounces fine	288,337	277,007
Yield per ton—dwt.	16.20	16.29
Cost per ton milled	60s. 9d.	62s. 1d.
Profit per ton milled	142s. 1d.	142s. 1d.
Uranium (Joint production scheme)		
Lb. apportioned	61,258	60,397
Yield per ton on lb. apportioned	0.241	0.251
WORKING RESULTS		
Gold—Working profit	£2,529,450	£2,416,033
Uranium (estimated)		
Treatment costs	£124,877	£125,995
Working profit	£138,940	£141,660
Total Working Profit	£2,668,390	£2,557,693
The estimated working profit for the nine months ended 30th June, 1960, was £7,892,010.		
FINANCIAL		
Taxation and State's Share of Profit (estimated)	£1,193,300	£1,093,200
Capital Expenditure—Gold and uranium including contributions towards capital cost of President Steyn and Welkom uranium plants	£602,428	£660,709
DEVELOPMENT		
Footage driven	22,575	18,427
Feet sampled	3,405	2,145
Feet payable	3,080	1,955
Percentage payability	90.5	91.1
Average gold value—dwt. per ton	172.43	143.92
Average uranium oxide value—lb. per ton	3.43	2.47
Width—inches	4.74	7.10
Equivalent inch-dwt.	817	1,022
Equivalent inch-lb.	16.24	17.53
SHAFT SINKING		
No. 3 Ventilation Shaft		
Footage sunk in quarter was 397 feet, the depth to date being 4,998 feet.		
No. 3 Main Shaft		
Footage sunk in quarter was 345 feet, the depth to date being 5,149 feet.		
URANIUM OXIDE SALES QUOTA		
The Atomic Energy Board has allocated to the Orange Free State Joint Uranium Production Scheme, in which this Company is an active participant, a sales quota of 1,155,260 lb. of uranium oxide for the twelve months ending 31st December, 1960.		

VAAL REEFS EXPLORATION AND MINING COMPANY, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	300,500	278,000
Ounces fine	135,226	125,100
Yield per ton—dwt.	9.00	9.00
Cost per ton milled	65s. 8d.	66s. 1d.
Profit per ton milled	46s. 11d.	46s. 7d.
Uranium		
Uranium oxide produced—lb.	157,276	133,934
Yield per ton treated—lb.	0.667	0.657
WORKING RESULTS		
Gold—Working Profit	£704,899	£647,503
Uranium (estimated)		
Treatment costs	£133,416	£131,656
Working profit	£425,058	£431,866
Total Working Profit	£1,129,957	£1,079,369
FINANCIAL		
No taxation and no share of profits are as yet payable to the State.		
Capital expenditure	£514,387	£437,520
Uranium Loan Repayments (including interest)	£70,158	£70,158
DEVELOPMENT		
Footage driven	25,071	23,102
Feet sampled	7,935	8,755
Feet payable	6,185	6,920
Percentage payability	77.9	79.0
Average gold value—dwt. per ton	63.68	67.24
Average Uranium oxide value—lb. per ton	4.83	4.08
Width—inches	9.94	9.83
Equivalent inch-dwt.	633	661
Equivalent inch-lb.	48.01	40.15
SHAFT SINKING		
No. 2 Main Shaft		
Footage sunk in quarter was 791 feet, shaft depth being 6,547 feet at end of quarter.		
No. 2 Ventilation Shaft		
Footage sunk in quarter was 1,633 feet, shaft depth being 5,466 feet at end of quarter.		
REEF INTERSECTION		
In May, 1960, the Vaal Reef was intersected in the No. 2 Ventilation Shaft at a depth of 4,905 feet below the collar. The reef, dipping in a south-easterly direction at 7 deg., was sampled around the perimeter of the shaft and on sampling gave an average value for gold of 33.15 dwt. and for uranium of 0.72 lb. per ton over a channel width of 14.27 inches, equivalent to 473 inch-dwt. and 10.22 inch-lb. respectively.		
URANIUM OXIDE SALES QUOTA		
The Atomic Energy Board has allocated to the Company a sales quota of 566,780 lb. of uranium oxide for the year ending 31st December, 1960.		

WESTERN DEEP LEVELS LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
DEVELOPMENT		
Ventersdorp Contact Reef		
Footage driven by West Driefontein Gold Mining Company Limited, on behalf of this company	858	372
Feet sampled	420	225
Feet payable	85	50
Percentage payable	20.2	22.2
Average value—dwt. per ton	27.29	33.95
Width—inches	16.71	14.70
Equivalent inch-dwt.	456	499
In May, 1960, the Ventersdorp Contact Reef was intersected in the No. 2 Ventilation Shaft at a depth of 5,549 feet below the shaft collar. The reef, dipping in a south-easterly direction at 25 deg., was sampled at intervals of 5 feet around the perimeter of the shaft. The sections sampled gave an average value for gold of 10.24 dwt. per ton over a channel width of 48.36 inches, equivalent to 495 inch-dwt.		
On the No. 3 Shaft system, concurrently with the equipping of the main shaft, 6,894 feet of development was done from the Ventilation Shaft, all of which was off reef.		
SHAFT SINKING		
No. 2 Shaft System		
Main shaft—footage sunk	343	527
Main shaft—footage in stations, pump chambers, etc.	576	217
Ventilation Shaft—footage sunk	367	663
Ventilation Shaft—footage in stations, pump chambers, etc.	657	360
No. 3 Shaft System		
Main shaft—footage sunk	—	214
Main shaft—footage in stations, pump chambers, etc.	—	336
Ventilation Shaft—footage sunk	—	193
Ventilation Shaft—footage in stations, pump chambers, etc.	—	570
	Shaft depths at 30th June, 1960	1959
	feet	feet
No. 2 Shaft System	6,073	3,544
Ventilation shaft	5,800	3,467
No. 3 Shaft System		
Main shaft	6,354	4,861
Ventilation shaft	6,324	5,235

CAPITAL EXPENDITURE
Expenditure on fixed assets during the quarter amounted to £1,212,420, bringing the total capital expenditure to 30th June, 1960, to £11,685,716.

UNDERGROUND BOREHOLES
Two underground boreholes were drilled for structural information on 68 level within a radius of 170 feet of the No. 3 Main Shaft (68 level is approximately 6,200 feet from surface). Since the end of the quarter both boreholes have intersected the Ventersdorp Contact Reef—No. 1 Borehole at a depth of approximately 6,349 feet and No. 2 Borehole at a depth of approximately 6,397 feet from surface. The following results were obtained:—

No. 1 Borehole—4.98 dwt. of gold per ton over a true width of 78.8 inches, equivalent to 392 inch-dwt.
No. 2 Borehole—44.59 dwt. of gold per ton over a true width of 53.2 inches, equivalent to 2,370 inch-dwt.

WESTERN HOLDINGS LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	454,000	439,000
Ounces fine	302,917	292,665
Yield per ton—dwt.	13.34	13.33
Cost per ton milled	56s. 2d.	55s. 8d.
Profit per ton milled	110s. 10d.	111s. 5d.
Working Profit	£2,515,668	£2,444,848
The estimated working profit for the nine months ended 30th June, 1960, was £7,134,527.		
FINANCIAL		
Taxation and State's share of profits—estimated	£1,374,000	£1,467,200
Capital expenditure	£403,288	£188,306
Interest charges	£448	£902
DEVELOPMENT		
Total footage driven	29,880	25,698
Feet sampled	3,765	3,785
Feet payable	3,210	3,140
Percentage payable	85.3	83.0
Average value—dwt. per ton	98.16	98.58
Width—inches	11.54	9.41
Equivalent inch-dwt.	1,133	928
Included in the development details given above are the following results obtained in the No. 3 Shaft area.		
Footage driven	13,919	10,836
Feet sampled	1,720	2,150
Feet payable	1,540	1,775
Percentage payable	89.5	82.6
Average value—inch-dwt.	1,210	857

BOREHOLE RESULTS—Area South of Vaal River.

Borehole 1 on the farm Mispah No. 274 in the district of Viljoenskroon, Orange Free State (drilled approximately 4,400 feet east of borehole P.K. 4 on the farm Pretorius Kraal No. 53) intersected the Vaal Reef at a depth of 6,008 feet, assaying 6.89 dwt. of gold per ton over a true width of 39.1 inches, equivalent to 269 inch-dwt. Core recovery was incomplete and a deflection was made. In the deflection, the Vaal reef was intersected at a depth of 6,007 feet, assaying 9.92 dwt. of gold per ton over a true width of 38.6 inches, equivalent to 383 inch-dwt. Core recovery in the deflection was complete and no further deflection will be made.

FREE STATE GEDULD MINES, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	285,000	279,000
Ounces fine	246,350	240,643
Yield per ton—dwt.	17.29	17.25
Cost per ton milled	77s. 8d.	77s. 5d.
Profit per ton milled	138s. 8d.	138s. 8d.
Working profit	£1,976,396	£1,934,712
The estimated working profit for the nine months ended 30th June, 1960, was £5,815,357.		
FINANCIAL		
No taxation and no share of profit are as yet payable to the State.		
Capital Expenditure	£265,801	£390,305
DEVELOPMENT		
Footage driven	29,858	26,321
Feet sampled	3,000	2,505
Feet payable	2,925	2,300
Percentage payable	97.5	91.8
Average value—dwt. per ton	246.46	189.05
Width—inches	6.07	6.85
Equivalent inch-dwt.	1,496	1,295
The results obtained in the areas of the individual shafts were:—		
No. 1 Shaft Area		
Feet sampled	830	1,255
Feet payable	816	1,095
Percentage payable	97.6	87.3
Average value—dwt. per ton	287.28	111.01
Width—inches	7.78	8.08
Equivalent inch-dwt.	2,235	897
No. 2 Shaft Area		
Feet sampled	2,170	1,250
Feet payable	2,115	1,205
Percentage payable	97.5	96.4
Average value—dwt. per ton	223.80	289.69
Width—inches	5.42	5.72
Equivalent inch-dwt.	1,213	1,657
SHAFT SINKING		
No. 1A Ventilation Shaft		
Footage sunk in the quarter was 945 feet, the depth to date being 4,046 feet.		

WELKOM GOLD MINING COMPANY, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	304,000	286,000
Ounces fine	95,929	89,849
Yield per ton—dwt.	6.31	6.28
Cost per ton milled	63s. 0d.	65s. 4d.
Profit per ton milled	16s. 0d.	13s. 5d.
Uranium (Joint Production Scheme)		
Lb. apportioned	67,886	66,925
Yield per ton on lb. apportioned	0.273	0.278
WORKING RESULTS		
Gold—Working profit	£243,220	£192,170
Uranium (estimated)		
Treatment costs	£124,125	£125,142
Working profit	£179,180	£176,850
Total Working Profit	£422,400	£369,020
The estimated working profit for the nine months ended 30th June, 1960, was £1,192,002.		
FINANCIAL		
Capital Expenditure—Gold and uranium, including contribution towards capital cost of Pres. Steyn uranium plant, less recoupments		
	£33,402	£64,249
Taxation		
No taxation and no share of profits are as yet payable to the State.		
Interest charges (excluding interest on Uranium Loans)	£45,356	£44,888
Loan repayments		
5 per cent debentures	£32,147	£52,125
Uranium loan repayments (including interest)	£127,645	£127,645
DEVELOPMENT		
Footage driven	20,566	18,952
Feet sampled	4,090	3,600
Feet payable	3,365	3,040
Percentage payable (gold)	82.3	84.4
Average gold value—dwt. per ton	84.04	73.55
Average uranium oxide value—lb. per ton	3.48	3.06
Width—inches	5.47	5.90
Equivalent inch-dwt.	460	434
Equivalent inch-lb.	19.05	18.06
SHAFT SINKING		
No. 2 Shaft		
Footage sunk in quarter was 89 feet, the depth to date being 4,566 feet.		
URANIUM OXIDE SALES QUOTA		
The Atomic Energy Board has allocated to the Orange Free State Joint Uranium Production Scheme, in which this Company is an active participant, a sales quota of 1,155,260 lb. of uranium oxide for the twelve months ending 31st December, 1960.		

SPRINGS MINES, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	306,000	311,000
Ounces fine	42,700	43,173
Yield per ton—dwt.	2.79	2.78
Cost per ton milled	32s. 2d.	31s. 10d.
Profit per ton milled	2s. 9d.	2s. 11d.
Working profit	£42,326	£45,481
FINANCIAL		
Taxation and State's share of profits—estimated ..	£9,354	£11,477
Capital recoupments	£3,940	£1,926
DEVELOPMENT		
Footage driven	4,697	4,792
Feet sampled	4,320	4,450
Feet payable	1,090	1,215
Percentage payability	25.2	27.3
Average value—dwt. per ton	19.64	19.83
Width—inches	17.95	20.09
Equivalent inch-dwt.	353	398

London Office, 40, Holborn Viaduct, E.C.1.
15th July, 1960.

BRAKPAN MINES, LIMITED

	Quarter ended 30th June, 1960	Quarter ended 31st March, 1960
OPERATING RESULTS		
Gold		
Tons milled	430,000	422,000
Ounces fine	52,142	51,122
Yield per ton—dwt.	2.43	2.42
Cost per ton milled	28s. 6d.	28s. 9d.
Profit per ton milled	1s. 10d.	1s. 7d.
Working profit	£38,807	£33,982
FINANCIAL		
Taxation and State's share of profits—estimated ..	£5,160	£3,151
Capital recoupments	£8,630	—
DEVELOPMENT		
Footage driven	6,661	6,423
Feet sampled	5,350	4,355
Feet payable	1,035	955
Percentage payability	19.3	21.9
Average value—dwt. per ton	11.36	15.32
Width—inches	51.82	43.46
Equivalent inch-dwt.	589	666

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED
R. V. PRITCHARD, Joint London Secretary.

carried out on the scale envisaged in the Tomlinson report in an attempt to shore up the economy of the reserves, it seems improbable that public money will at the same time be available to accelerate African advancement in the existing urban areas and in particular for industrial redeployment on the central and eastern Witwatersrand to facilitate a gradual transition from mining to other industrial employment.

If this redeployment on the Rand does not eventuate, the surface freehold values of the "break-up" mines may well be less than was previously supposed and it is also not inconceivable that the government may, by subsidies or other special concessions, do everything possible to postpone the eventual closure of mines in areas where alternative employment is not in prospect. Neither of these possibilities can add to the break-up attraction of such shares.

Uranium

Aside from the depressing medium term outlook, the future of uranium earnings in the short term is also somewhat clouded by uncertainties regarding the existing contracts. The question of a stretch-out on these contracts (on the lines of the Canadian stretch-out) came under review early this year, but the discussions between the industry and the C.D.A. at that time were inconclusive and discussions may yet be reopened in time to affect the 1961 quotas. In practice, a stretch-out of contracts would be unlikely to have any real effect on most of the popular new mines with the exception of Harties, Buffels, Vaal Reefs, Western Reefs and Harmony, all of which derive material profits from uranium. As the comments dealing with these mines show, all hold the promise of ultimately paying dividends from gold alone which would more or less justify their prices relative to the present market.

This, however, does not alter the fact that the immediate dividend prospects would be adversely affected by a stretch-out. At the worst, however, the total uranium profit over the longer contract period would probably be no less than under the present contract arrangements; and the

reduction in present dividends would be offset by higher dividend expectations after 1965/66 by which time uranium earnings based on existing contracts would otherwise have ceased.

All in all, any setback in these shares due to a stretch-out in the uranium contracts is likely to prove shortlived if developments confirm the purely gold prospects.

The immediate effect of a stretch-out on some of the less successful O.F.S. mines, such as Freddie's, Virginia and to a lesser extent Welkom, would probably be more serious, as in these cases uranium earnings in effect pay for gold development and consequently influence milling rates.

The Gold Price

For obvious reasons it is now virtually out of the question for Washington to consider any gold price change this side of the presidential elections.

At the same time the U.S. no longer has the same room for manoeuvre as formerly in the matter of its gold reserve, which according to recent estimates is now for the first time, at any rate in contemporary monetary history, exceeded by foreign short-term dollar holdings.

Whatever the complexion of the new Administration in Washington next year, its first preoccupation on the financial front must surely be to resolve the conflicting claims of private enterprise for easier credit and the need for protecting its gold stocks from the high interest rates obtainable in other currencies. Beyond this, the aftermath of the Summit fiasco may well lead to a revival of public spending both on defence and on foreign aid.

Unless the Free World is ready to revise drastically its ideas of what constitutes an acceptable gold ratio as a basis of confidence, we can only repeat what we have so often said on this subject, namely that sooner or later pressures will build up to the point where a higher gold price will become inevitable. Recent events in East West relations suggest that this process is now likely to be accelerated.

HIGHLIGHTS FROM

THE QUARTERLIES

A change in the shaft arrangements at Leslie was announced by the chairman at the annual meeting. Instead of both shafts being bottomed at 3,100 ft., the original plan, one will be stopped at a shallower depth to allow development to begin earlier. There is a good chance that the No. 1A shaft will intersect reef in a few weeks' time. (P.14.)

At the Winkelhaak meeting, the chairman said that the start of dividends should not be long delayed. In view of this, and of the improving situation at the mine, it seems possible that a token maiden distribution will be made in December. (P.15.)

A recent estimate indicated that U.S. reserves are now insufficient to cover overseas short-term dollar holdings. In view of the presidential election, it is unlikely that any major alteration of U.S. money policy will be made in the near future, but the position remains precarious.

The Ventersdorp Contact reef continues to come up with results well in excess of earlier ideas on its importance. The latest example was a pair of boreholes drilled for structural information purposes 6,200 ft. below surface in the Western Deeps property. One intersected only mediocre values, but the other struck ore worth over 2,300 in. dwt. Like the good values achieved over the border in West Driefontein, this indicates that the reef may be worth far more to Western Deeps than was originally thought. (P.22.)

(Continued on page 24)

The next company to come to the market will probably be Zandpan. This company's shares carry options which are underwritten by finance houses, so that whatever happens in the market before the options are exercisable, the money will be available from one source or another. (P.8.)

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Operations in the gold section at Randfontein Estates are now confined to reclamation on the Main Reef series and stopping out reserves on the Kimberley series. On this basis, operations should continue for the whole of this year, and thereafter for a limited period which would be materially altered by comparatively minor variations in either cost or recovery grade. (P.19.)

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The first major issue to be undertaken by a South African mine since the outbreak of racial troubles in the first quarter of this year was an issue of 2,800,000 shares by Western Deep Levels. Not surprisingly, since the terms had been fixed before the sudden fall in the market, the issue was a relative failure, 21 per cent of the shares offered left in the hands of the underwriters. (P.22.)

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The probability of any sharp rise in the Union Corporation dividend rate over the next few years was shown to be limited in the annual report, which disclosed that Unicorp will have to find some £9,000,000 for its new Kinross mines in the fairly near future. Most of this will be found within the company, but some short-term borrowing may be needed in addition. This clearly rules out any sharp dividend hoists for the time being.

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Robinson Deep, the sixty-year-old Central Rand producer, is discussing with the neighboring Village Main Reef company the possibility of Village working some of Robinson's upper levels on a profit-sharing basis. This course has been chosen since it would be uneconomic to re-open the Turf No. 2 shaft, rendered unusable in 1959 by a severe ground movement. (P.6.)

* * *

The explanation for the cut in Randfontein's dividend from maintained earnings was given by chairman Mr. D. A. B. Watson in his circulated statement. He said that certain major items of equipment would need replacements in the comparatively near future, and that it was therefore considered desirable to keep a substantial balance on appropriation account. In addition, distributable profits over the whole of the current year would be adversely affected by a reduction in profits from the gold section, an increase in tax liability, and the company contribution to the joint uranium research programme. (P.19.)

The big mining story of the quarter was the successful holing through at Loraine's new No. 3 shaft. Technically, this ranks with recent shaft-sinking records as another outstanding achievement in the science of mining. From the investment standpoint, it means that Loraine will soon be in a position to draw from the Elsburg series in the old Riebeeck area. (P.9.)

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With its latest declaration, Blyvooruitzicht has maintained its record of having increased its dividend by 1d. each half-year for the past two years. With the considerable financial strength of this company, further increases are quite possible, in spite of continued capital expenditure. (P.10.)

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At the annual meeting of Bracken, one of Union Corporation's two embryo mines in the Kinross area, the chairman said that the mine might come to production in less than the three to three-and-a-half years from the start of shaft sinking originally suggested. Production may, therefore, start in the second half of 1962. (P.14.)

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The shape of Kaffir financing to come was indicated by the terms of the Free State Saaiplaas issue announced during the quarter. Half the shares are being subscribed firm by a group of finance houses, while the remainder will almost certainly be largely taken up by the underwriters, the price having been pitched at a point which takes little account of the present depressed condition of the market. (P.4.)

* * *

Western Areas broke no shaft-sinking records last quarter, but progress was extremely fast. At the end of the three months, the Main shaft had reached a depth of 2,229 ft. on its way to a final depth of 4,850 ft., and the ventilation shaft was nearing the half-way mark in its progress to 3,500 ft. (P.19.)

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Although values disclosed in development at St. Helena could not maintain the recovery begun in the March quarter, payability was higher. In any event, the value is still superior to anything disclosed before the first nine months of 1959. (P.14.)

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Values at Stilfontein continued their slow but steady recovery from the low point of 321 in. dwt. reached in the third quarter of 1959. Last quarter payable disclosures averaged 432 in. dwt., and with the decline in mill grade halted, it should be possible to avoid a further cut in the dividend rate. (P.12.)

Further work on Western Holdings' prospect south of the Vaal Reef mine included values of 269 and 383 in. dwt. in a borehole on Mizpah 274. No decision has yet been reached regarding the possibility of a new mine on this ground. (P.22.)

* * *

The quarterly report from Freddie's Consolidated showed a further loss. Read in conjunction with the chairman's statement, in which it was said that unless losses could be eliminated by mid year, development would be in danger of curtailment, the latest report must deepen the anxieties surrounding the future of this unlucky mine. (P.18.)

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On May 27, the No. 2 ventilation shaft at Vaal Reefs intersected Vaal Reef at 4,905 ft. below collar. Sampling round the perimeter gave average values of 473 in. dwt. gold and 10.22 in. lb. uranium. (P.21.)

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In the Toni shaft of Stilfontein Gold Mining, the Vaal Reef was intersected at a depth of 3,366 ft. early in May. The values disclosed were 713 in. dwt. and 28.96 in. lb. for gold and uranium respectively. (P.12.)

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Hartebeestfontein is advancing two high-speed haulages west and south-west from the No. 2 shaft into areas where boreholes indicate high values. This could lead to a rapid recovery in this company's mill grade. (P.7.)

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Soon after the publication of its quarterly report, Western Holdings announced plans for the sinking of a new upcast ventilation shaft adjacent to the No. 1 Hoisting shaft. This will double the ventilation available in the No. 1 shaft area, and permit the exploitation of the deeper levels west of the Dagbreek fault and the exploration of the area eastward and beyond the Dagbreek fault, as well as the north-western section of the mine near borehole F.H.3. The shaft will cost £800,000, to be found from profits, and it should be commissioned during 1962. (P.22.)

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Free State Geduld has also announced a new shaft, thus explaining the conservatism of the dividend announced in March. Estimated to cost £2,900,000 including services and accommodation, the new shaft will be financed out of profits. The primary object is the facilitation of work in the area south-east, south and south-west of the No. 1 shaft, which, it is expected, will be underlain by high-grade reef. Mining in this area from the existing No. 1 shaft, it is thought, would be difficult and costly. (P.22.)

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